

Fiscal Estimate - 2009 Session

Original Updated Corrected Supplemental

LRB Number 09-3157/1	Introduction Number SB-275
Description Employment discrimination based on credit history	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local:	
<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input checked="" type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts	
Fund Sources Affected Affected Ch. 20 Appropriations	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.445(1)(a)	
Agency/Prepared By DWD/ Robert Anderson (608) 266-3345	Authorized Signature Peter Knudsen (608) 266-2284
Date 9/3/2009	

Fiscal Estimate Narratives

DWD 9/3/2009

LRB Number	09-3157/1	Introduction Number	SB-275	Estimate Type	Original
Description Employment discrimination based on credit history					

Assumptions Used in Arriving at Fiscal Estimate

This bill prohibits an employer from discriminating against a person in employment based upon their credit rating unless the credit standing is substantially related to their ability to perform the job. The department will receive and process complaints filed under the provisions of this bill using the same process used to process other employment discrimination complaints under the Fair Employment Law (ss. 111.39 WI Stats.).

The department anticipates it will annually receive 150 complaints alleging violations of this bill's provisions. Since Equal Rights Officers normally investigate discrimination cases and an Equal Rights Officer-Senior can investigate 144 cases per year the department anticipates it will need at least one additional investigator to investigate these cases. An Equal Rights Officer-Senior costs the department \$78,036 in salary, fringes and supplies/services per position. Consequently the department would incur a cost of \$78,036 to investigate the cases anticipated each year.

With most types of employment discrimination cases about 1/3 of the cases filed require a hearing after the initial investigation is completed. The department therefore anticipates this bill will result in 50 additional hearings being held by the department each year. An Administrative Law Judge costs the department \$138,580 per year for salary, fringes and supplies/services. An Administrative Law Judge can process approximately 132 cases per year. The department anticipates it would need about 1/2 of an Administrative Law Judge position to process the annual cases at a cost of \$69,290.

The department will also incur a one-time cost of approximately \$2,000 for the printing of informational materials concerning this bill and \$9,750 for equipping offices for an Equal Rights Officer and an Administrative Law Judge.

Local governments will be subject to the provisions of this bill. The department anticipates some complaints concerning potential violations will be filed against government entities but it is impossible to predict how many at this time or the costs incurred by local government units in defending themselves in those cases.

Long-Range Fiscal Implications

The increased caseload will be on-going for the foreseeable future.

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-3157/1		Introduction Number SB-275	
Description Employment discrimination based on credit history			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
The department will incur costs of \$2,000 to develop and print informational materials concerning this bill and/or update current Fair Employment Law publications to reflect these changes. Additionally the department will incur costs of \$9,750 to set and equip offices for an Equal Rights Officer and an Administrative Law Judge.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$118,600		\$
(FTE Position Changes)	(1.5 FTE)		
State Operations - Other Costs	28,725		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$147,325		\$
B. State Costs by Source of Funds			
GPR	147,325		
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev		Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	State		Local
NET CHANGE IN COSTS	\$147,325		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
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