

Fiscal Estimate - 2009 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-0420/1	Introduction Number SB-088	
Description Purchase of creditable service under the Wisconsin Retirement System for active service in the U.S. armed forces		
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 checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.515 (1)(w)		
Agency/Prepared By ETF/ Jon Kranz (608) 267-0908	Authorized Signature Bob Conlin (608) 261-7940	Date 3/5/2009

Fiscal Estimate Narratives

ETF 3/5/2009

LRB Number	09-0420/1	Introduction Number	SB-088	Estimate Type	Original
Description Purchase of creditable service under the Wisconsin Retirement System for active service in the U.S. armed forces					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates a program that would allow participating employees in the Wisconsin Retirement Systems to purchase creditable service for all years of active military service subject to the following conditions:

- * The employee pays to the Department of Employee Trust Funds the required employee contribution for general category employees (currently five percent) based on the employees final average earnings determined as if the employee had retired on the first day of the annual earnings period during which the Department received the application.
- * The employee may not purchase more than four years of creditable service under this program.
- * The employee may not receive creditable service under this program for any active military service used to qualify for creditable military service under current law.

Assumptions used in the preparation of this estimate include:

- * Approximately 5,000 current participants would be eligible to purchase creditable service under this program
- * Approximately 10 % of the eligible population would submit an application during the first year.
- * Various programming changes would be required to current information technology systems.
- * Various forms and informational publications would require revision.

Only the administrative costs associated with this bill are addressed by this estimate. The estimate of the program costs to the Public Employee Trust Fund will be provided by the Joint Survey Committee on Retirement Systems.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 09-0420/1	Introduction Number SB-088	
Description Purchase of creditable service under the Wisconsin Retirement System for active service in the U.S. armed forces		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$234,800 to cover costs associated with training, re-printing of forms/publications, postage, and information technology system changes.		
II. Annualized Costs:		
	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$5,000	\$
(FTE Position Changes)	(0.1 FTE)	
State Operations - Other Costs	2,000	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$7,000	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S	7,000	
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	\$7,000	\$
NET CHANGE IN REVENUE	\$	\$
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