



## Fiscal Estimate Narratives

OSER 3/21/2012

LRB Number	11-3451/1	Introduction Number	AB-735	Estimate Type	Original
<b>Description</b> Establishing the salary of the governor					

### Assumptions Used in Arriving at Fiscal Estimate

This bill establishes the governor's salary at 300 percent of the mean annual salary for all occupations in Wisconsin, as determined by the federal bureau of labor statistics. The change would not result in an immediate cost change because Article IV, Section 26, of the Wisconsin Constitution prohibits compensation increases or decreases for incumbent Constitutional Officers during the term of office.

300 percent of the current mean average salary of \$39,140 would result today in a \$27,003 reduction in the current Governor's salary of \$144,423. However, the bill would not only affect the Governor's salary. Section 20.923(15)(b), Wis. Stats., states "Except for the positions identified in subs. (4g), (5), and (7)(b), the pay of any incumbent whose salary is subject to a limitation under this section may not equal or exceed that amount paid the governor."

Because of this statutory limitation, application of this provision would require reducing the current salaries of 46 unclassified employees, totaling over \$390,000. Therefore, the total savings would be over \$417,000 in the first year of a new term.

### Long-Range Fiscal Implications