

Fiscal Estimate Narratives

DWD 1/25/2016

LRB Number	15-3674/1	Introduction Number	SB-422	Estimate Type	Original
Description Exclusion of a franchisor as the employer of a franchisee or of an employee of a franchisee					

Assumptions Used in Arriving at Fiscal Estimate

This bill excludes a franchisor as the employer of a franchisee or of an employee of a franchisee for purposes of certain laws relating to employment. The proposed legislation requires the Division of Unemployment Insurance (UI) to gather new data when employers register and report wages.

IT system changes will be needed to record the franchisor and franchisee information upon employer registration. This will require 100 hours of IT changes at a one-time cost of \$8,500.

Compliance with the proposed legislation will require two full time staff to handle the specialized decisions resulting from the process to identify an employer. The estimated cost of two staff positions with necessary qualifications will cost \$257,000 annually.

Long-Range Fiscal Implications

Annual staff costs of \$257,000.

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Exclusion of a franchisor as the employer of a franchisee or of an employee of a franchisee	
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):	
The proposed legislation requires the Division of Unemployment Insurance (UI) to gather new data when employers register and report wages. IT system changes will be needed to record the franchisor and franchisee information upon employer registration This will require 100 hours of IT changes at a cost of \$8,500.	
II. Annualized Costs:	
	Annualized Fiscal Impact on funds from:
	Increased Costs Decreased Costs
A. State Costs by Category	
State Operations - Salaries and Fringes	\$257,000
(FTE Position Changes)	(2.0 FTE)
State Operations - Other Costs	
Local Assistance	
Aids to Individuals or Organizations	
TOTAL State Costs by Category	\$257,000
B. State Costs by Source of Funds	
GPR	
FED	257,000
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, ets.)	
	Increased Rev
	Decreased Rev
GPR Taxes	\$
GPR Earned	
FED	
PRO/PRS	
SEG/SEG-S	
TOTAL State Revenues	\$
NET ANNUALIZED FISCAL IMPACT	
	<u>State</u>
	<u>Local</u>
NET CHANGE IN COSTS	\$257,000
NET CHANGE IN REVENUE	\$
Agency/Prepared By	
Authorized Signature	
Date	
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	1/25/2016