

### Fiscal Estimate - 2023 Session

Original     
  Updated     
  Corrected     
  Supplemental

|   |   |
|---|---|
| <b>LRB Number</b> <b>23-4683/1</b>  | <b>Introduction Number</b> <b>AB-1079</b>                   |
| <b>Description</b><br>employment of direct-care employees by veterans homes, eligibility for burial in veterans cemeteries, and elements of sexual assault under the Wisconsin Code of Military Justice   |   |
| <b>Fiscal Effect</b><br><br><b>State:</b><br><input type="checkbox"/> No State Fiscal Effect<br><input type="checkbox"/> Indeterminate<br><input checked="" 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<br><input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs |   |
| <b>Local:</b><br><input type="checkbox"/> No Local Government Costs<br><input type="checkbox"/> Indeterminate<br>1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br>2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory   |   |
| 5. Types of Local Government Units Affected<br><input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities<br><input type="checkbox"/> Counties <input type="checkbox"/> Others<br><input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts  |   |
| <b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b><br><input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS   |   |
| <b>Agency/Prepared By</b><br>DOA/ Travis Martin (608) 266-5877  | <b>Authorized Signature</b><br>Robin Malicki (608) 264-9576 |
| <b>Date</b><br>2/28/2024  |   |

## Fiscal Estimate Narratives

DOA 2/28/2024

|   |           |                     |         |               |          |
|---|-----------|---------------------|---------|---------------|----------|
| LRB Number  | 23-4683/1 | Introduction Number | AB-1079 | Estimate Type | Original |
| <b>Description</b><br>employment of direct-care employees by veterans homes, eligibility for burial in veterans cemeteries, and elements of sexual assault under the Wisconsin Code of Military Justice |           |                     |         |               |          |

### Assumptions Used in Arriving at Fiscal Estimate

Assembly Bill (AB)-1079 proposes certain changes to direct-care employees of veterans homes that would impact the Department of Administration (Department).

The proposed bill would modify recruitment practices for applicants for nonsupervisory positions providing direct care to residents of veterans homes. Under the proposed bill, certain positions would be allowed to be filled for veterans homes without using the civil service procedure if the applicant meets certain criteria.

The proposed bill would also reduce the timeline for certifying the civil service register for vacant permanent positions at a veterans home from 30 days down to seven days. The six-month expiration of the register for eligible applicants is also proposed to be replaced with a requirement for the Department to maintain the register until the Department of Veterans Affairs (DVA) indicates it is no longer needed. These provisions would be sunsetted by January 1, 2029.

Also, under the proposed bill and beginning on January 1, 2025, an employee who provides direct care to residents of a veterans home would be required to be paid on a weekly basis if so requested.

The Division of Personnel Management's (DPM) Bureau of Merit Recruitment and Selection (BMRS) is responsible for developing and administering recruitment and selection rules and policies and procedures for appointments made in the classified service. As such, BMRS would be responsible for implementing and administering the proposed recruitment practice changes.

Currently, certain practices have been established and used to expedite recruiting for DVA and other state agencies to accomplish some of the proposed reductions in recruitment timelines.

The removal of the requirement for nonsupervisory direct care applicants to submit resumes and applications and to be interviewed would require a change in the recruitment practices used to support DVA. DPM would need to establish and maintain a new tool and procedure to competitively select candidates without interviewing or receiving resumes of candidates, as it is currently required under s. 230.16 (5), Wis. Stats., that DPM ensures appropriate scientific techniques are used in the applicant selection process and that it determines the relative weighting of competitors.

The Department is not able to determine the cost or associated staff effort necessary to develop such a tool, and therefore while the cost to implement this new provision is currently indeterminate, it is anticipated it may not be absorbable under current existing expenditure authority under s. 20.505 (1) (kz), general program operations, Wis. Stats., appropriation numeric 15000. Please also note that the Department would require sufficient time to implement these associated tools and process changes and to provide training to DPM staff to use the tools properly.

DPM has instituted continuous recruitment practices which are currently used for the relevant direct care staff, meaning that applicants for these positions are able to apply to the relevant direct care positions on an ongoing basis through continuously open postings on wisc.jobs. Therefore, DPM is currently meeting the seven-day civil service register timeline through its current continuous recruitment practice. If continuous recruitments are able to be maintained, there are no anticipated impacts to DPM other than initial implementation and modifications to policies and procedures.

However, it is anticipated that the changes to remove the resume, application, and interviewing processes would necessitate a change to the application of the continuous interview process. The ability for DPM to adhere to the seven-day register timeline would also therefore be contingent upon the development and maintenance of a sufficient replacement rating and interviewing practices in order for DPM to be able to announce these positions, advertise with sufficient candidate visibility, objectively score the assessment that

was administered, and provide names to the supervisor. Please note that clarification about whether the seven days are business or calendar days would be necessary for DPM to properly adhere to this proposed requirement.

Currently, BMRS, with approval of the appointing authority, may request an extension of a reactivated register for up to three years as permitted under ER-MRS 11.03 (2). The allowance under the proposed for DVA to exceed this timeline upon its request is not anticipated to result in a significant impact to DPM's staffing workload or its practices, outside of its initial one-time efforts to revise pertaining policies and procedures.

As the Department does not currently have a practice for weekly payroll processing, significant process and procedural changes would be necessary across the Department.

The Division of Executive Budget and Finance (DEBF) is responsible for administering central payroll for the enterprise, the STAR Program Office is responsible for administering payroll system functions in the Human Capital Management component module of the State's enterprise resource planning (ERP) system, and DPM is responsible for administering central benefits for the enterprise and agency payroll and benefits for State employees.

The Department would need to develop several significant policy and process changes and substantial system development and maintenance efforts would be required. This would require one-time and ongoing implementation efforts that are not anticipated to be absorbable to accomplish the exception-based weekly payroll processing for the subset of eligible DVA employees that elect to be paid on this basis.

In addition to the process and system changes necessary for the Department to implement a distinct weekly payroll process, significant complementary payroll processes and functions and secondary impacts would require significant one-time and ongoing implementation and administration efforts. Examples of these efforts include but are not limited to: insurance administration processing changes, increased frequency of benefit election changes to accommodate weekly payroll processing, calculations of weekly absence accruals; shortened timelines for applicable wage garnishments; truncated timelines for payroll to be set up for inter-agency employee transfers; exception processing for payroll deductions; and the re-writing of STAR queries to include the new payroll cycle.

The Department anticipates it would require additional DPM, STAR Program Office, and DEBF Central Payroll and State Controller's Office (SCO) staff to develop and maintain the weekly payroll processing changes, which would not be able to be absorbed under current position or expenditure authority.

The Department anticipates at least 9.00 FTE program revenue-services (PR-S) permanent positions and an approximate \$1,130,400 (\$748,800 salary, \$293,600 fringe, and \$88,000 supplies and services) in PR-S expenditure authority, including: 4.00 FTE PR-S permanent positions and requisite expenditure authority for DPM under numeric 15000; 1.00 FTE PR-S permanent position for the STAR Program Office (using its existing continuing appropriation to administratively adjust expenditure authority) under s. 20.505 (1) (kd), Wis. Stats., Enterprise resource planning system numeric 13800; and 4.00 FTE PR-S permanent Central Payroll and SCO staff and requisite expenditure authority under s. 20.505 (1) (kj), Wis. Stats., financial services, numeric 13900, to accommodate all system and processing changes on a one-time and ongoing basis.

## **Long-Range Fiscal Implications**

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## Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

|   |  |               |
|---|--|---------------|
| <b>LRB Number</b> <b>23-4683/1</b>  | <b>Introduction Number</b> <b>AB-1079</b>      |               |
| <b>Description</b><br>employment of direct-care employees by veterans homes, eligibility for burial in veterans cemeteries, and elements of sexual assault under the Wisconsin Code of Military Justice |  |               |
| <b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>   |  |               |
| <b>II. Annualized Costs:</b>  |  |               |
|   | <b>Annualized Fiscal Impact on funds from:</b> |               |
|   | Increased Costs      Decreased Costs           |               |
| <b>A. State Costs by Category</b>   |  |               |
| State Operations - Salaries and Fringes   | \$1,042,400                                    | \$            |
| (FTE Position Changes)  | (9.0 FTE)                                      |               |
| State Operations - Other Costs  | 88,000   |               |
| Local Assistance  |  |               |
| Aids to Individuals or Organizations  |  |               |
| <b>TOTAL State Costs by Category</b>  | <b>\$1,130,400</b>                             | <b>\$</b>     |
| <b>B. State Costs by Source of Funds</b>  |  |               |
| GPR   |  |               |
| FED   |  |               |
| PRO/PRS   | 1,130,400                                      |               |
| SEG/SEG-S   |  |               |
| <b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>  |  |               |
|   | Increased Rev                                  | Decreased Rev |
| GPR Taxes   | \$   | \$            |
| GPR Earned  |  |               |
| FED   |  |               |
| PRO/PRS   |  |               |
| SEG/SEG-S   |  |               |
| <b>TOTAL State Revenues</b>   | <b>\$</b>                                      | <b>\$</b>     |
| <b>NET ANNUALIZED FISCAL IMPACT</b>   |  |               |
|   | <u>State</u>                                   | <u>Local</u>  |
| NET CHANGE IN COSTS   | \$1,130,400                                    | \$            |
| NET CHANGE IN REVENUE   | \$   | \$            |
| <b>Agency/Prepared By</b>   |  |               |
| <b>Authorized Signature</b>   |  | <b>Date</b>   |
| DOA/ Travis Martin (608) 266-5877   |  | 2/28/2024     |
| Robin Malicki (608) 264-9576  |  |               |