

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-2720/1	Introduction Number SB-0235	
Description various changes to the unemployment insurance law and authorizing the secretary of administration to transfer employees from any executive branch agency to the Department of Workforce Development for certain purposes		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input 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 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 type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <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 type="checkbox"/> SEG <input type="checkbox"/> SEGS		
Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DOA 4/18/2023

LRB Number	23-2720/1	Introduction Number	SB-0235	Estimate Type	Original
Description various changes to the unemployment insurance law and authorizing the secretary of administration to transfer employees from any executive branch agency to the Department of Workforce Development for certain purposes					

Assumptions Used in Arriving at Fiscal Estimate

Senate Bill 235 (SB 235) changes unemployment insurance laws and authorizes the Department of Administration (Department) to transfer employees from any executive branch agency to the Department of Workforce Development (DWD).

Authority and prescribed processes for state agencies to interchange employees already exist under ss. 230.047 and 230.29, Wis. Stats., Temporary interchange of employees and Transfers, respectively, and s. 20.901 (1) Wis. Stats., and under which the Division of Personnel Management's (DPM) Chapter ER 47 (ER 47), Temporary Interchange Administrative Rule is promulgated to implement and operate as required under s. 230.047 (8), Wis. Stats. The bill prescribes employee transfer practices from state agencies to DWD which are already currently prescribed, such as for salary reimbursement practices (i.e., as under s. 230.047 (9), Wis. Stats.), the duration of interchanges (i.e., as under ER 47.04), and for intervening pay adjustments (i.e., as under ER 47.05 (1) (b)).

For example, an employee may currently be temporarily interchanged for a duration not in excess of two years with administrator approval, whereas SB 235 permits a transfer of the employee to DWD for not more than 240 days, inclusive of a 120-day extension with approval by Joint Committee on Finance (JFC). It is also specified that than an employee may currently be able to receive non-supplemental salary adjustments while on temporary interchange (i.e., ER 47.06 (1) (b) 1.), whereas the permissiveness of such adjustments is not identified under the proposed, and rather it is specified that DWD may not increase the employee's salary during the time they are providing services (to DWD). In addition, travel expenditures are currently required to be paid for by the receiving agency, whereas this is not specified under the proposed.

Any additional administration required by DPM associated with transfers from state agencies to DWD is anticipated to be absorbed under current workloads and associated expenditure and position authority, given the current existing practices that serve a similar purpose as requested under SB 235. If any of the Department's employees were interchanged to DWD, the administration of these interchanges is also anticipated to be absorbed, and there would be an indeterminate amount of resulting salary and fringe cost savings for the period in which the staff would be working at DWD and which DWD would be responsible for. Finally, the report containing transfer information required to be submitted by the Department to JFC on a monthly basis for the allowable period is also anticipated to be absorbed within current existing workloads and expenditure authority.

Long-Range Fiscal Implications