

Fiscal Estimate - 2025 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 25-1552/1	Introduction Number SB-0027
Description requiring state employees to perform their work at the offices of their employer	
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div> Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex;"> <div style="width: 50%;"> 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 50%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div> </div> <div style="width: 33%;"> 5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Cities </div> </div> </div> </div>	
<div style="display: flex; justify-content: space-between;"> <div> Fund Sources Affected <input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS </div> <div> Affected Ch. 20 Appropriations </div> </div>	
Agency/Prepared By DHS/ Sara Sanders (608) 266-5655	Authorized Signature Andy Forsaith (608) 266-7684
Date 3/3/2025	

Fiscal Estimate Narratives

DHS 3/3/2025

LRB Number	25-1552/1	Introduction Number	SB-0027	Estimate Type	Original
Description requiring state employees to perform their work at the offices of their employer					

Assumptions Used in Arriving at Fiscal Estimate

2025 SB 27 would require that employees of the Department perform their assigned work duties at its corresponding state offices.

DHS currently has over 6,700 employees statewide. Of those, 4,273 (63%) work at the Department's seven direct care facilities. Outside of the seven facilities, DHS employees are headquartered at the State Human Services Building (1 W Wilson) in Madison, at Milwaukee Eligibility Services (MILES) in Milwaukee, and at other leased locations in Madison and around the state.

The Department is currently in the process of consolidating operations in accordance with the Governor's Vision 2030 Plan. This plan includes moving DHS operations in Madison from 1 W Wilson to the General Executive Facility (GEF) 1, which the Department will share with the Department of Workforce Development. DHS will occupy a significantly smaller square footage at GEF 1 compared to 1 W Wilson. Per the updated Vision 2030 plan, the Department will vacate 1 W Wilson by the end of 2025. This plan also assumes that the Department will consolidate its operations in Milwaukee.

As the Department makes progress on consolidation according to the Vision 2030 plan, the allotted rent budget has decreased accordingly. For FY25, the Department was budgeted \$10.1 million All Funds (\$5.5 million GPR) for rent across its non-owned workspaces. Following State Budget Office guides and reflecting the planned move to GEF 1 in Fall 2025, the DHS 2025-27 biennial budget request decreased the DHS rent budget to \$9 million All Funds (\$3.9 million GPR) in FY 26 and \$7.8 million All Funds (\$3.3 million GPR) in FY 27. These rent decreases account for consolidation primarily in Madison and Milwaukee.

In order to provide the physical workspace necessary to house all of the Department's staff during work hours as mandated under this bill, consolidation under Vision 2030 would need to be paused. Should 2025 SB 27 be enacted, the Department's rent costs would increase compared to budgeted levels for FY 26 and FY 27 in the agency's budget request. The GPR increase would be \$1,531,700 for FY 26 and \$2,179,000 GPR, for a net fiscal effect of \$3,710,700 GPR for the 2025-27 Biennium.

Long-Range Fiscal Implications