

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; justify-content: space-between;"><div style="width: 30%;"><input type="checkbox"/> No State Fiscal Effect <input checked="" 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: 30%;"><input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues</div><div style="width: 30%;"><input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs</div></div> Local: <div style="display: flex; justify-content: space-between;"><div style="width: 30%;"><input type="checkbox"/> No Local Government Costs <input 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</div><div style="width: 30%;">5. Types of Local Government Units Affected <div style="display: flex; justify-content: space-between;"><div style="width: 30%;"><input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts</div><div style="width: 30%;"><input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts</div><div style="width: 30%;"><input type="checkbox"/> Cities</div></div></div></div>	

Fiscal Estimate Narratives

DNR 2/26/2025

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

The bill requires DNR employees to perform in-person work at state agency offices during the employee's regularly scheduled work hours, beginning July 1, 2025.

Assumptions & Background Information

1. The department is currently implementing a maximum 60% telework policy (up to 3 days/week) for employees who request so. In certain extenuating circumstances, staff can request up to 100% telework. Of the 3,046 currently active employees, 53% have no telework agreements in place. Of the 1,419 active employees (47%) that do have telework agreements, their telework percentages are categorized as follows:

- a. 0-20% telework: 118 employees
- b. 21-40% telework: 299 employees
- c. 41-60% telework: 824 employees
- d. 61-80% telework: 98 employees
- e. 81-100% telework: 80 employees

2. Based on the wording on page 2, lines 5-6 of the bill, the department assumes that the office work requirement does not apply to any employee that performed duties off-site prior to March 1, 2020. This would include conservation wardens, foresters, biologists, technicians and other positions where the work is mostly conducted in the field.

3. The department assumes that the bill's reference to "offices of the state agency" pertains to all work locations, regardless of whether they are state-owned or not. A total of 252 department staff have designated work spaces throughout the state that are stationed in non-state-owned offices, partly due to their geographic deployment area.

4. The department currently lacks enough space for all of its employees to work out of an office.

5. In the summer of 2026, DNR will move its headquarters from its current GEF 2 location in downtown Madison to the State office complex at Hill Farms in West Madison. Hill Farms will have 119,671 square feet of office space and 638 position work spaces, compared to 175,277 square feet of office space and 851 position work spaces in GEF 2. While the move to Hill Farms equates to a reduction of 55,606 square feet and 213 position work spaces, Hill Farms is projected to be adequate for accommodating all GEF 2 staff because of the current telework policy and the use of shared work spaces.

6. The department is currently charged \$26.02/yr. per square foot of occupancy at GEF 2, while it is projected to pay \$26.24/yr. per square foot at Hill Farms.

Fiscal Effect

1. Rental Costs

If the bill revokes the department's current telework policy and requires all workers to return to the office, it is assumed that 55,606 square feet of additional office space, or approximately 213 additional position work spaces, would be needed to accommodate all staff currently assigned to GEF 2 for which there would be insufficient space to accommodate at Hill Farms. Applying the current \$26.02/yr. per square foot rate for GEF 2, annual rental costs would increase by an estimated \$1,446,900 across multiple funding sources (55,606 square feet * \$26.02).

2. Moving Reimbursement Costs

It is possible that a return to office mandate could force some employees to change work locations based upon the availability of office space throughout the state. Therefore, as detailed in Chapter 760 of the Wisconsin Human Resources Handbook, some employees could be eligible for a moving expense reimbursement. However, it is unknown how many employees would be impacted, how many would request a reimbursement, and how much those reimbursements would cost; therefore, an estimate of moving reimbursement costs is indeterminate.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2025 Session

Detailed Estimate of Annual Fiscal Effect

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Description requiring state employees to perform their work at the offices of their employer	
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):	
II. Annualized Costs:	Annualized Fiscal Impact on funds from:
	Increased Costs Decreased Costs
A. State Costs by Category	
State Operations - Salaries and Fringes	\$
(FTE Position Changes)	
State Operations - Other Costs	1,446,900
Local Assistance	
Aids to Individuals or Organizations	
TOTAL State Costs by Category	\$1,446,900
B. State Costs by Source of Funds	
GPR	1,446,900
FED	
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, etc.)	
	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	\$1,446,900
NET CHANGE IN REVENUE	\$
Agency/Prepared By	Authorized Signature
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	Date
	2/26/2025