

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: <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 checked="" 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 checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <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 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 checked="" 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
WTCS/ Megan Stritchko (608) 266-2449	Paul Hammer (608) 266-1739	3/5/2025

Fiscal Estimate Narratives

WTCS 3/5/2025

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

Senate Bill 27 requires state agencies, including the Wisconsin Technical College System Board (WTCSB), to require employees to perform their work in person at state agency offices during the employee's regularly scheduled work hours, beginning July 1, 2025. The bill exempts duties that were performed off site before March 1, 2020.

The WTCSB is authorized 55.0 FTE. Following a recent move of the WTCSB headquarters from 4622 University Avenue to the Hill Farms State Office Building, WTCSB lacks enough space for all employees to work on-site simultaneously. WTCSB's current office location within the Hill Farms State Office Building is occupied on all sides by other state agencies and there is no room for expansion at the current location. It is assumed that WTCSB must move its headquarters to another multi-tenant building in order to have the space for all employees to work in-person during their regularly scheduled work hours.

WTCSB would incur ongoing costs under the bill that could not be absorbed within the agency's current budget. The current office location within the Hill Farms State Office Building is 4,930 square feet. Based on the Department of Administration's (DOA) design standards, WTCSB would need 10,470 square feet to accommodate all employees. Assuming current rental rates, WTCSB space rental costs would increase at least \$145,400 per year. The WTCSB also anticipates there could be additional ongoing costs associated with regular in-person work, such as increased use of supplies and equipment, that cannot be determined.

One-time costs under the bill are estimated to exceed \$523,500 and could not be absorbed within the agency budget. Because WTCSB would more than double its office space under the bill, a build out of workstations and conference rooms would require additional furniture, equipment, and infrastructure. The cost of this build out would be approximately \$496,000. Moving costs for all 55 FTE would be \$27,500, assuming the DOA move cost rate of \$500 per FTE.

Finally, the WTCSB estimates there may be additional costs associated with employee recruitment and retention. Many employees value remote work opportunities and WTCSB's current remote work policy is a strong recruitment and retention tool. If WTCSB experiences turnover of its experienced staff, there will be indeterminate costs to the agency resulting from loss of institutional knowledge, vacancies, additional recruitments, and onboarding.

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): One-time costs under the bill are estimated to exceed \$523,500 and could not be absorbed within the agency budget.		
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	145,400	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$145,400	\$
B. State Costs by Source of Funds		
GPR	145,400	
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	\$145,400	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By Authorized Signature Date		
WTCS/ Megan Stritchko (608) 266-2449	Paul Hammer (608) 266-1739	3/5/2025