

**FISCAL ESTIMATE FORM**

**2001 Session**

- ORIGINAL                       UPDATED  
 CORRECTED                       SUPPLEMENTAL

**LRB # 2001 - 1293/1**

**INTRODUCTION # 2001 AB 29**

Admin. Rule #

**Subject**

Establishing a presumption for employment-related disease for state and county fire fighters.

**Fiscal Effect**

State:  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget  
  Yes  
  No

- Increase Existing Appropriation                       Increase Existing Revenues  
 Decrease Existing Appropriation                       Decrease Existing Revenues  
 Create New Appropriation

Decrease Costs

Local:  No local government costs

1.  Increase Costs  
 Permissive     Mandatory  
 2.  Decrease Costs  
 Permissive     Mandatory

3.  Increase Revenues  
 Permissive     Mandatory  
 4.  Decrease Revenues  
 Permissive     Mandatory

5. Types of Local Governmental Units Affected:  
 Towns                       Villages                       Cities  
 Counties                       Others \_\_\_\_\_  
 School Districts                       WTCS Districts

**Fund Sources Affected**

- GPR  
  FED  
  PRO  
  PRS  
  SEG  
  SEG-S

**Affected Ch. 20 Appropriations**

**Assumptions Used in Arriving at Fiscal Estimate:**

Current law provides that municipal firefighters who are diagnosed with heart or lung disease or cancer that results in death or disability are presumed to have contracted the disease because of their employment. Assembly Bill 29 extends this presumption to state and county firefighters. This fiscal note applies only to increased costs for participating state employees. We are unaware of any other county firefighters that would be affected, other than Milwaukee County which does not participate in the Wisconsin Retirement System.

There are 484 active state positions that could be covered under AB 29. The number of county firefighters is not known, however, there may be a few with duties at county airports.

It is assumed that state and county firefighters are the same age range, equivalent service distribution and salary range as municipal firefighters. Based on the experience of that group, the consulting actuary for the public employee disability programs has estimated that the average contribution rate to the fund will rise .04% from the current 3.66% to 3.70%. Individual employers with employees newly covered by the presumption would likely incur increases of .8% of covered payroll for employers with few claims (current 1.9% to 2.7%) and 1.0% of covered payroll for employers with many claims (current 6.65 to 7.6%). Based on current experience, we estimate the increased cost to the state at \$181,000 per year, adjusted annually to reflect payroll increases.

The Department of Employee Trust Funds does not expect, at this time, to incur significant additional administrative costs if AB 29 is enacted.

**Long-Range Fiscal Implications:**

Individual employers with employees newly covered by the presumption would likely incur increases of .8% of covered payroll for employers with few claims (current 1.9% to 2.7%) and 1.0% of covered payroll for employers with many claims (current 6.65 to 7.6%). Based on current experience, we estimate the increased cost to the state at \$181,000 per year, adjusted annually to reflect payroll increases.

**Prepared By: / Phone # / Agency Name**

**Authorized Signature / Telephone No.**

**Date**

Department of Employee Trust Funds  
 Pamela Henning 267-2929

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1/22/01

**FISCAL ESTIMATE WORKSHEET**

Detailed Estimate of Annual Fiscal Effect

**2001 Session**

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**Subject**

Establishing a presumption for employment-related disease for state and county fire fighters

**I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**

<b>II. Annualized Costs:</b>		<b>Annualized Fiscal impact on State funds from:</b>	
		<b>Increased Costs</b>	<b>Decreased Costs</b>
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	\$ -
(FTE Position Changes)		( FTE)	(- FTE)
State Operations - Other Costs		181,000	-
Local Assistance			-
Aids to Individuals or Organizations			-
<b>TOTAL State Costs by Category</b>		<b>\$ 181,000</b>	<b>\$ -</b>
<b>B. State Costs by Source of Funds</b>		<b>Increased Costs</b>	<b>Decreased Costs</b>
GPR		\$ 81,450	\$ -
FED			-
PRO/PRS		99,550	-
SEG/SEG-S			-
<b>State Revenues</b> Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		<b>Increased Rev.</b>	<b>Decreased Rev.</b>
GPR Taxes		\$	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$ -</b>

**NET ANNUALIZED FISCAL IMPACT**

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ 181,000	\$
NET CHANGE IN REVENUES	\$	\$

<b>Prepared By: / Phone # / Agency Name</b> Department of Employee Trust Funds Pamela Henning 267-2929	<b>Authorized Signature/Telephone No.</b> <i>David Hinrichs</i>	<b>Date</b> 1/22/01
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