



## Fiscal Estimate Narratives

ETF 3/4/02

LRB Number 01-4145/1	Introduction Number AB-775	Estimate Type Original
<b>Subject</b> Retirement benefits for educational support personnel under the Wisconsin retirement system		

### Assumptions Used in Arriving at Fiscal Estimate

AB 775 increases WRS benefits provided to educational support personnel employees who are defined under current law as a school district employee other than a teacher, librarian or administrator. The bill makes three changes under the WRS:

1. Changes the full-time equivalent of one year of creditable service for an educational support personnel employee to 1,320 hours (from 1,904 hours);
2. Increases the final average earnings by 25% for purposes of determining the initial amount of a WRS retirement annuity; and
3. Reduces the amount required for purposes of calculating a year of creditable service from 0.75 to 0.65.

The Department estimates that 51,466 individuals under the WRS have educational support personnel employment status. The bill will require the Department to make the following changes:

- \* Modify, test and implement computer programming changes to 25 applications - \$54,400 one-time
- \* Revise forms, brochures, and procedures - \$2,800 one-time
- \* Increase workload for written inquiries, benefit estimates, appointments, and walk-ins by 5% (2,573) - \$54,700 one-time
- \* Revise annuity calculation worksheets and procedures; modify and test retirement annuity calculator - \$9,000 one-time
- \* Calculate and correct annuity benefits - \$6,800 on-going

This fiscal estimate addresses only the administrative costs of SB 403. The Joint Survey Committee on Retirement Systems will estimate the fiscal effect of the bill on the trust fund.

### Long-Range Fiscal Implications

Ongoing.

## Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Subject</b>			
Retirement benefits for educational support personnel under the Wisconsin retirement system			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
\$120,900 one-time for computer programming, increased workload and revision to communications and procedures			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes	\$6,800		
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$6,800</b>		<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S	6,800		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	State	Local	
NET CHANGE IN COSTS	\$6,800	\$	
NET CHANGE IN REVENUE	\$	\$	
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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