

LRB or Bill No./Adm. Rule  
2001 SB 13 (01-1262/1)

Amendment No. if applicable

FISCAL ESTIMATE  
DOA-2048 (R10/92)

- ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

**Subject**

Creditable military service under the Wisconsin Retirement System.

**Fiscal Effect**

State:  No State Fiscal Effect

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

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

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

Decrease Costs

Local:  No local government costs

1.  Increase Costs

Permissive       Mandatory

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       VTAE Districts

**Fund Sources Affected**

- GPR       FED       PRO       PRS       SEG       SEG-S

**Affected Ch. 20 Appropriations**

s. 20.515 (1)(w)

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, a participant in the WRS may not receive credit for military service if the participant is using the same military service to receive a federal retirement benefit. This bill eliminates this provision.

Based upon these assumptions, there will be a 5% ongoing increase in participants requesting credit for active military service and an additional 500 inquiries (phone and written) about military service credit. It is estimated that our Call Center and Member Services Bureau will have one-time staff costs of \$2,700 to revise forms and brochures, change telephone system messages, revise internal operating procedures, provide staff training, and handle increased workload associated with telephone and written inquiries, e-mails, and walk-in appointments.

The Division of Employer Services estimates on-going annual operational staff costs of \$1,200 for military service processing based upon the 5% increase (84) in participants submitting requests for additional military service credit. One-time costs of \$100 are estimated to revise employer manuals and worker instructions.

Military calculation and affidavit notification programs within our Wisconsin Employee Benefits System (WEBS) will need to be modified to reflect the new changes in the bill. One-time estimated costs for system changes for contract developer analysis, design and testing, user testing and central processing unit (CPU) time are \$16,800.

This fiscal estimate addresses only the administrative costs of SB 13. The Joint Survey Committee on Retirement Systems will estimate the fiscal effect on the trust fund.

**Long-Range Fiscal Implications**

On-going.

Agency/Prepared by: (Name & Phone No.)

Department of Employee Trust Funds  
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Authorized Signature/Telephone No.

*David Hinrichs*

Date

1/22/01

**FISCAL ESTIMATE WORKSHEET**

Detailed Estimate of Annual Fiscal Effect

**2001 Session**

- ORIGINAL       UPDATED  
 CORRECTED     SUPPLEMENTAL

**LRB #**

**Admin. Rule #**

**INTRODUCTION # 2001 SB 13**

**Subject**

Creditable military service under the WRS.

**I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**  
**\$19,600 SEG one-time**

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$ 1,200	\$ -
(FTE Position Changes)	( FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
<b>TOTAL State Costs by Category</b>	<b>\$ 1,200</b>	<b>\$ -</b>
<b>B. State Costs by Source of Funds</b>	<b>Increased Costs</b>	<b>Decreased Costs</b>
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S	1,200	-
<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	\$ <u>1,200</u>	\$ _____
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 Henrichs</i>	<b>Date</b> 1/22/01
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