

### Fiscal Estimate - 2001 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> 01-3778/1	<b>Introduction Number</b> SB-245
<b>Subject</b> Contribution rates under the Wisconsin retirement system	
<b>Fiscal Effect</b>	
<b>State:</b>	
<input checked="" type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input 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 type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
<b>Local:</b>	
<input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue      5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b>	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS s. 20.515 (1)(w)	
<b>Agency/Prepared By</b> ETF/ Pam Henning (608) 267-2929	<b>Authorized Signature</b> Dave Hinrichs (608) 266-3763
<b>Date</b> 9/25/01	

## Fiscal Estimate Narratives

ETF 9/25/01

LRB Number 01-3778/1	Introduction Number SB-245	Estimate Type Original
<b>Subject</b> Contribution rates under the Wisconsin retirement system		

### Assumptions Used in Arriving at Fiscal Estimate

SB 245 establishes a 5% required employee contribution rate under the Wisconsin Retirement System for all participating employees and eliminates the requirement that any increase or decrease in contribution rates be reflected equally in reductions or increases in the required employer and employee contribution rates.

In addition, SB 245 eliminates the benefit adjustment contribution that under current law was treated as an employer contribution regardless of whether the employee or employer paid the contribution.

There are no administrative costs to the Department associated with this bill. In addition, the total contribution rate will not increase according to the consulting actuary to the ETF Board.

The Joint Survey Committee on Retirement Systems will provide further detail on the impact of this bill on the trust fund.

### Long-Range Fiscal Implications