



## Fiscal Estimate Narratives

ETF 3/6/2009

LRB Number	09-2192/1	Introduction Number	AB-0126	Estimate Type	Original
<b>Description</b> Purchase of creditable service under the Wisconsin Retirement System for active service in the U.S. armed forces					

### Assumptions Used in Arriving at Fiscal Estimate

This bill creates a program that would allow participating employees in the Wisconsin Retirement Systems to purchase creditable service for all years of active military service subject to the following conditions:

- \* The employee pays to the Department of Employee Trust Funds the required employee contribution for general category employees (currently five percent) based on the employees final average earnings determined as if the employee had retired on the first day of the annual earnings period during which the Department received the application.
- \* The employee may not purchase more than four years of creditable service under this program.
- \* The employee may not receive creditable service under this program for any active military service used to qualify for creditable military service under current law.

Assumptions used in the preparation of this estimate include:

- \* Approximately 10,000 current participants would be eligible to purchase creditable service under this program
- \* Approximately 10 % of the eligible population would submit an application during the first year.
- \* Various programming changes would be required to current information technology systems.
- \* Various forms and informational publications would require revision.

Only the administrative costs associated with this bill are addressed by this estimate. The estimate of the program costs to the Public Employee Trust Fund will be provided by the Joint Survey Committee on Retirement Systems.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Description</b> Purchase of creditable service under the Wisconsin Retirement System for active service in the U.S. armed forces			
<b>I. One-time Costs or Revenue impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  \$234,800 to cover costs associated with training, re-printing of forms/publications, postage, and information technology system changes.			
<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	\$5,000		\$
(FTE Position Changes)	(0.1 FTE)		
State Operations - Other Costs	2,000		
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$7,000</b>		<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S	7,000		
<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	\$7,000		\$
NET CHANGE IN REVENUE	\$		\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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