



## Fiscal Estimate Narratives

LFB 2/27/2012

LRB Number	11-4130/1	Introduction Number	SB-514	Estimate Type	Original
<b>Description</b> Elimination of sick leave for state senators and representatives to the assembly					

### Assumptions Used in Arriving at Fiscal Estimate

The bill would end the accrual of unused sick leave by legislators in any term of office beginning after the bill's effective date. As a result, there would be no conversion of unused sick leave hours to credits for the payment of postretirement health insurance coverage for legislators in any term of office beginning after the bill's effective date. [The bill would not affect sick leave hours of legislators accrued prior to the bill's initial applicability.]

Sick leave conversion credits are funded through employer contributions, based on a percentage of payroll, and investment earnings associated with the contributions. The contribution rate is actuarially determined each year and established by the state's Employee Trust Funds Board. The current rate for sick leave conversion credits is 1.2% of payroll.

The current annual salary of state legislators is \$49,943, or \$6,592,500 for 132 Representatives and Senators. On an annualized basis, the 1.2% contribution rate for sick leave conversion credits for legislators results in a \$79,100 GPR cost. Under the bill, this contribution would no longer be required.

### Long-Range Fiscal Implications