

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5620-01
Bill No.: HB 2154
Subject: Employees - Employers; Labor and Management
Type: Original
Date: April 25, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Attorney General** (AGO) assume this proposal would make changes to the ways in which labor organizations may operate. Based on the activity generated by other Missouri regulatory provisions, AGO assumes that the investigation of complaints and enforcement of these new provisions would require 1 AAG II.

AGO provided a cost estimate for the new Assistant Attorney General II with benefits, equipment, and expense totaling \$63,750 for FY 2007, \$68,809 for FY 2008, and \$70,588 for FY 2009.

Oversight notes that this proposal would become effective in August of 2006 but would not apply to any labor agreement currently in effect. In addition, the proposal would not apply to railway employees; to federal employers and employees; to employers and employees on exclusive federal enclaves; and where the provisions conflict with or are preempted by federal law. Oversight further assumes that investigations would not likely be required for some time after the proposed legislation has been in effect.

ASSUMPTION (continued)

Accordingly, Oversight assumes that complaints and investigations could be absorbed with existing resources for FY 2007, 2008, and 2009. In unanticipated activity is generated by this proposal or if multiple proposals are enacted which generate additional activity, resources could be requested through the budget process.

Officials from the **Office of Administration, Division of Personnel, and the Department of Labor and Industrial Relations** assume this proposal would have no fiscal impact on their organizations.

Officials from the **Office of Prosecution Services** did not respond to our request for information.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would change certain provisions relating to employee rights.

- No person could be required as a condition of, or continuation of, employment to become or refrain from becoming a member of a labor organization; pay any dues, fees, assessments, or other similar charges however denominated of any kind or amount to a labor organization; or pay to any charity or other third party any amount equivalent to dues, fees, assessments, or other charges required of members of a labor organization.

DESCRIPTION (continued)

- Any agreement, understanding, or practice, written or oral, implied or expressed, between any labor organization and employer that violates the rights of employees as guaranteed by the proposal would be declared unlawful, null and void, and of no legal effect.
- Any person who directly or indirectly violates any provision of the proposed legislation would be guilty of a class C misdemeanor. Any person injured as a result of any violation or threatened violation of the proposed legislation would be entitled to injunctive relief against any and all violators or persons threatening violations.
- Any person injured as a result of any violation or threatened violation of the proposed legislation could recover any and all damages of any character resulting from such violation or threatened violation including costs and reasonable attorney fees. Such remedies would be independent of and in addition to the other penalties and remedies.
- It would be the duty of the prosecuting attorney of each county and of the Attorney General of this state to investigate complaints of violation or threatened violation of the proposed section and to prosecute any person violating this section and to use all means at their command to ensure the effective enforcement of this section.
- The provisions would not apply to employers and employees covered by the federal Railway Labor Act; to federal employers and employees; to employers and employees on exclusive federal enclaves; where this provisions conflicts with or are preempted by federal law; or to any collective bargaining agreement or any other type of agreement between an employer and a labor organization entered into before the effective date of this section but shall apply to any new agreement or renewal or extension of any existing collective bargaining agreement.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General
Office of Administration
Division of Personnel
Department of Labor and Industrial Relations

NOT RESPONDING

Office of Prosecution Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 25, 2006