

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3266-03  
Bill No.: SS #2 for HB 1268 w/ SA 1  
Subject: Holidays; Governor & Lt. Governor  
Type: Original  
Date: April 29, 2010

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Bill Summary: Removes Lincoln's and Truman's birthdays as state holidays and establishes certain times of the year as days, weeks, or months of special recognition for various subjects.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	\$2,008,400	\$2,008,400	\$2,008,400
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$2,008,400</b>	<b>\$2,008,400</b>	<b>\$2,008,400</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
All other state	\$1,078,248	\$1,078,248	\$1,078,248
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$1,078,248</b>	<b>\$1,078,248</b>	<b>\$1,078,248</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Economic Development, Department of Insurance, Financial Institutions, and Professional Registration, Department of Revenue, Office of the Governor, Office of State Auditor, Missouri Senate, Office of State Treasurer, and Office of Secretary of State** assume the proposal will have no fiscal impact on their organizations.

In response to an earlier version of this proposal, officials from the **Office of State Courts Administrator** and **Office of State Public Defender** assumed the proposal would have no fiscal impact on their organizations.

Officials from the **Department of Corrections, Department of Public Safety, and Missouri Consolidated Health Care Plan** defer to the Office of Administration for response regarding the fiscal impact of this proposal on their organizations.

In response to an earlier version of this proposal, officials from the **Department of Agriculture, Department of Mental Health, and Department of Labor and Industrial Relations** deferred to the Office of Administration for response regarding the fiscal impact of this proposal on their organizations.

Officials from the **Department of Higher Education (DHE)** state the Office of Administration (OA) is reporting on this fiscal note on behalf of all state agencies. The DHE does not anticipate any additional fiscal impact beyond OA's projections.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources. There would be no cost savings for the AGO.

Officials from the **Department of Elementary and Secondary Education (DES)** state the fiscal impact is unknown. The DES does not usually pay out holiday pay for the regular employees as they usually get a day off at later time. The DES does sometimes pay out holiday pay to the state operated programs although typically they get a day off at a later time.

The DES has been notified that OA Budget and Planning has submitted estimates for statewide impact.

Officials from the **Department of Natural Resources (DNR)** state the Office of Administration (OA) has indicated that it will respond for all state agencies for the fiscal impact from eliminating state holidays in this proposal. Therefore, the DNR defers to OA's response for that portion of the proposal.

ASSUMPTION (continued)

In response to a previous version of this proposal, officials from the **Department of Health and Senior Services (DOH)** deferred to the Office of Administration (OA) for response to this legislation. It is assumed OA will provide a statewide impact for this legislation.

Officials from the **Department of Social Services (DOS)** state the fiscal impact to the DOS is unknown. Per a memo from the Office of Administration (OA) - Division of Budget and Planning, the DOS defers to OA to calculate the statewide impact.

Officials from the **Missouri Department of Transportation (DOT)** state currently, the DOT manages its employees' overtime worked by flexing their work week. The cost savings would be less than \$100,000 per year as a result of not paying holiday differential to its employees for time worked on a holiday. The DOT also anticipates a slight increase in the cost of utilities for working two additional days.

Officials from the **Missouri Department of Conservation (MDC)** assume that the approximate savings to the Commission Fund in the amount of \$32,500 per holiday was included in the \$1.5 million savings on all funds stated by the Office of Administration in response to the fiscal note for HB 2377.

Officials from the **Office of Administration (OA) - Division of Budget and Planning (BAP)** state the proposed legislation eliminates two state holidays (Lincoln's birthday and Truman's birthday). The BAP estimate savings for FY 10 of \$1,543,324, including \$1,004,200 to General Revenue, and annual savings of \$3,086,648, including \$2,008,400 to General Revenue.

The calculations are based on holiday compensatory time accrual codes entered into the state's payroll system for the 1/1/10 holiday and the corresponding salaries and fringe benefits and the Division of Facilities Management, Design and Construction's estimate of increased daily costs of operating state facilities.

**Oversight** notes the proposal has an emergency clause. If the proposal is TAFP'd before May 7, 2010, there will be a positive fiscal impact for FY 10 that is outside the period of this fiscal note.

Officials from the **Office of Prosecution Services** and **Missouri House of Representatives** did not respond to our request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2011	FY 2012	FY 2013
<b>GENERAL REVENUE FUND</b>			
<u>Savings - OA</u>			
Savings of payroll costs for two state holidays	<u>\$2,008,400</u>	<u>\$2,008,400</u>	<u>\$2,008,400</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>\$2,008,400</u></b>	<b><u>\$2,008,400</u></b>	<b><u>\$2,008,400</u></b>
<b>ALL OTHER STATE FUNDS</b>			
<u>Savings - All Other State Funds</u>			
Savings of payroll costs for two state holidays	<u>\$1,078,248</u>	<u>\$1,078,248</u>	<u>\$1,078,248</u>
<b>ESTIMATED NET EFFECT ON ALL OTHER STATE FUNDS</b>	<b><u>\$1,078,248</u></b>	<b><u>\$1,078,248</u></b>	<b><u>\$1,078,248</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2011	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Small Business</u>			

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

#### FISCAL DESCRIPTION

This proposal removes February 12, Lincoln's Birthday, and May 8, Truman's Birthday, from the list of established public holidays of the State of Missouri.

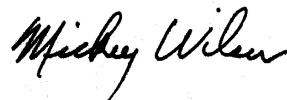
The bill contains an emergency clause.

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 Attorney General  
Department of Agriculture  
Office of Administration -  
    Division of Budget and Planning  
Department of Higher Education  
Office of State Courts Administrator  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Insurance, Financial Institutions, and Professional Registration  
Department of Mental Health  
Department of Natural Resources  
Department of Corrections  
Department of Health and Senior Services  
Department of Labor and Industrial Relations  
Department of Revenue  
Department of Social Services  
Missouri Department of Transportation  
Department of Public Safety -  
    Capitol Police  
    Division of Fire Safety  
    Missouri State Highway Patrol  
    State Emergency Management Agency  
    Missouri State Water Patrol  
Missouri Consolidated Health Care Plan  
Missouri Department of Conservation  
Office of State Auditor  
Office of State Treasurer  
Missouri Senate

**NOT RESPONDING: Office of Prosecution Services and Missouri House of Representatives**

A handwritten signature in black ink, appearing to read "Mickey Wilson". The signature is written in a cursive, flowing style.

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Mickey Wilson, CPA  
Director  
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HWC:LR:OD