

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4147-02
Bill No.: HCS for HB 1054
Subject: Children and Minors; State Employees; Employees- Employers
Type: Original
Date: February 28, 2014

Bill Summary: This proposal allows for a shared leave policy for public employees involved with adopting or fostering a child.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(Unknown)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(Unknown)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ 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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of Administration's Division of Personnel (OA)** assume they would need to develop a new policy and procedures for the donation of such leave and for tracking the leave events. The proposed legislation appears to provide added benefit to an individual who is adopting or providing foster care to a child versus an individual who is the biological parent of a child. The current ShareLeave program does not allow an individual to request shared leave during or after pregnancy unless complications during or after pregnancy rise to the level of a "catastrophic illness or injury", which is the current eligibility requirement to receive ShareLeave.

§105.271(2) allows for the donated leave to be transferable between employees in different departments, agencies, or political subdivisions if the chief administrative officers of the departments, agencies, or political subdivisions agree. Agencies currently do not allow transfer of ShareLeave across other agencies. Additionally, there is no statewide tracking mechanism in place for this transfer of leave as each agency monitors their individual ShareLeave donations and usage. Determination would need to be made on how the State would track and monitor ShareLeave for adoption or foster placement which was transferred among departments.

Since this is a new shared leave event, 1 CSR 20-5.025 may need to be modified and approved by the Personnel Advisory Board.

Officials at the **Department of Economic Development** defer to the Office of Administration for fiscal impact.

Officials at the **Department of Natural Resources** assumed an unknown impact. It is unknown due to the unknown frequency of request, duration and dollar value difference between the leave donated versus donated leave used.

Officials at the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Office of State Courts Administrator** assume an unknown impact of less than \$100,000.

ASSUMPTION (continued)

Officials at the **Department of Elementary and Secondary Education** assumed there appears to be various unknowns associated with this proposal. These unknowns could put federal funds in jeopardy as well as result in costs or savings to the state; neither of which can be estimated.

Officials at the **Office of the State Public Defender (SPD)** assume that any legislation passed that would take away from the hours available to work would affect the SPD system. The SPD is currently providing legal representation in caseloads in excess of recognized standards. Fewer hours available to work would impact representation availability.

Officials at the **Missouri Veterans Commission** assume an unknown impact due to not knowing who would qualify for leave and how much leave would be available for use.

Officials at the **Missouri State University** assume some minor costs are anticipated in administration for this proposal.

Officials at the **City of Kansas City** assume the City already covers arranging for adoption and foster care placement in its Family and Medical Leave Policy. Therefore, expanding leave donations to cover adoption and foster care placement would be minimal administrative costs.

Officials at the **Francis Howell School District** assume this proposal is optional and therefore would not have a fiscal impact.

Officials at the **St. Louis County** assume administrative costs for oversight. Estimate 25 hours at \$25 an hour annually for a total of \$625.

Officials at the **Fulton School District** assume if this proposal impacts schools then it is reminiscent of the old sick level pool which District Counsel advised was discriminatory and thus eliminated.

In response to the previous version of this proposal, officials at the **Metropolitan Community College** assumed an unknown direct fiscal impact from tracking and monitoring of the leave time.

In response to the previous version of this proposal, officials at the **Cole County** assumed to administer and set up a policy for leave sharing would take a couple of days at a cost of \$750 and would require ongoing maintenance each year.

ASSUMPTION (continued)

In response to the previous version of this proposal, officials at the **City of Columbia** assumed the costs are not expected to exceed \$100,000 annually.

Officials at the **Capitol Police**, the **City of Jefferson City**, the **Division of Alcohol and Tobacco Control**, the **Department of Agriculture**, the **Department of Conservation**, the **Department of Corrections**, the **Department of Health and Senior Services**, the **Department of Higher Education**, the **Department of Insurance**, **Financial Institutions and Professional Registration**, the **Department of Labor and Industrial Relations**, the **Department of Mental Health**, the **Department of Revenue**, the **Department of Social Services**, the **Joint Committee on Administrative Rules**, the **Linn State Technical College**, the **Missouri Department of Transportation**, the **Missouri Gaming Commission**, the **Missouri Highway Patrol**, the **Missouri Western State University**, the **Office of the State Auditor**, the **Office of State Treasurer**, the **State Emergency Management Agency**, the **University of Central Missouri** and the **University of Missouri** each assume there is no fiscal impact to their respective organizations from this proposal.

In response to the previous version of this proposal, officials at the **Division of Fire Safety**, the **Missouri National Guard**, the **Northwest Missouri State University**, the **Platte County Board of Election Commission** and the **St. Louis County Board of Election Commission** each assumed there was no fiscal impact to their respective organizations from this proposal.

Oversight assumes that the Office of Administration would need to create the tracking system to implement this proposal. Oversight will show an unknown impact for computer programming costs in FY 2015. Oversight assumes the financial impact may affect various state agencies and state funds but will show in the fiscal note all the impact as being to General Revenue.

Oversight assumes that this proposal is optional for Universities. Therefore, it would not have a fiscal impact.

Oversight assumes this proposal is optional for Local Governments. Therefore, it would not have a fiscal impact.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for

ASSUMPTION (continued)

this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE			
<u>Costs</u> - Office of Administration computer programing costs	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2015 (10 Mo.)	 FY 2016	 FY 2017
	<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.

FISCAL DESCRIPTION

This bill adds a foster parent to those state employees who are allowed to use accrued sick leave, annual leave, or the same leave without pay granted to biological parents to take time off for purposes of arranging for a foster child's placement or caring for a foster child after placement.

The state, its departments, agencies, or political subdivisions must provide for a leave sharing program to permit its employees to donate annual leave, overtime, or compensatory time to an employee who is arranging for a foster or adopted child's placement or caring for the child after placement which has caused or is likely to cause the employee to take leave without pay or to terminate employment. Any donated annual leave, overtime, or compensatory time must be transferable between employees in different departments, agencies, or political subdivisions of the state with the agreement of the chief administrative officers of the entities. Any donated annual leave, overtime, or compensatory time authorized under the bill must only be used by the recipient employee for purposes of arranging for the foster or adopted child's placement or caring for the child after placement. The recipient employee must use all forms of paid leave available for use by him or her prior to using donated annual leave, overtime, or compensatory time.

Donated annual leave, overtime, or compensatory time must be given voluntarily, and no employee can be coerced, threatened, intimidated, or financially induced into donating annual leave, overtime, or compensatory time for the purposes of the leave sharing program.

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

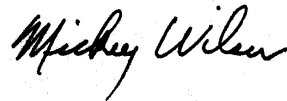
SOURCES OF INFORMATION

City of Columbia
City of Jefferson City
City of Kansas City
Cole County
Department of Agriculture
Department of Conservation
Department of Corrections
Department of Economic Development
Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Higher Education
Department of Insurance, Financial Institutions and Professional Registration
Department of Labor and Industrial Relations
Department of Mental Health
Department of Natural Resources
Department of Revenue
Department of Social Services
Department of Public Safety
 Capitol Police
 Division of Alcohol and Tobacco Control
 Division of Fire Safety
Francis Howell School District
Fulton School District
Joint Committee on Administrative Rules
Linn State Technical College
Metropolitan Community College
Missouri Department of Transportation
Missouri Gaming Commission
Missouri Highway Patrol
Missouri National Guard
Missouri State University
Missouri Western State University
Missouri Veterans Commission
Northwest Missouri State University
Office of Administration
Office of Attorney General
Office of the Secretary of State
Office of the State Auditor

JH:LR:OD

SOURCES OF INFORMATION (continued)

Office of State Courts Administrator
Office of the State Public Defender
Office of State Treasurer
Platte County Board of Election Commission
State Emergency Management Agency
St. Louis County
St. Louis County Board of Election Commission
University of Central Missouri
University of Missouri



Mickey Wilson, CPA
Director
February 28, 2014

Ross Strobe
Assistant Director
February 28, 2014