

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5658-01
Bill No.: HB 1623
Subject: Employees - Employers; Labor and Management
Type: Original
Date: March 3, 2014

Bill Summary: This proposal would allow employers to offer employees the option of accruing compensatory leave time on an hour-for-hour basis in lieu of receiving overtime wages.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$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 6 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 from **Northwest Missouri State University** assume this proposal could save their organization up to \$46,670 per year.

Officials from the **University of Missouri** assume this proposal would have no significant fiscal impact on their organization.

Officials from the **City of Kansas City** stated it is unlikely this proposal would result in any savings to their organization.

Officials from the **Fulton Public Schools** responded to our request for information but did not provide an estimate of fiscal impact.

Officials from **Johnson County R-VII School District** stated it could cost between \$75-\$95 per day to hire a substitute when an employee takes a day off.

Officials from the **Metropolitan Community Colleges** assume there would be increased administrative costs to track and monitor compensatory time.

Officials from the **University of Central Missouri** assume it would cost \$25,000 to set up a tracking system for compensatory time and \$5,000 per year to operate such a system.

Officials from **St. Charles Community College** responded to our request for information but did not provide an estimate of fiscal impact.

Officials from the **Office of Administration**, the **Department of Conservation**, the **Department of Labor and Industrial Relations**, the **Department of Transportation**, **Linn State Technical College**, **Missouri State University**, **Missouri Western State University**, **Cole County**, **St. Louis County**, and the **St. Louis County Directors of Elections** assume this proposal would have no fiscal impact on their organizations.

ASSUMPTION (continued)

Not responding

Officials from the following counties: Andrew, Audrain, Barry, Bates, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cooper, DeKalb, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to our request for information.

Officials from the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Columbia, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lebanon, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to our request for information.

Officials from the following school districts: Blue Springs, Branson, Charleston R-I, Cole R-I, Columbia, Fair Grove, Francis Howell, Harrison R-IX, Independence, Jefferson City, Kansas City, Kirksville, Kirbyville R-V, Lee's Summit, Malden R-I, Malta Bend, Mexico, Monroe City R-I, Nixa, Parkway, Pattonville, Raymore-Peculiar R-III, Raytown, Riverview Gardens, Sedalia, Sikeston, Silex, Special School District of St. Louis County, Spickard, St Joseph, St Louis, St. Charles, Sullivan, Warren County R-III, and Waynesville did not respond to our request for information.

Officials from the following colleges: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Lincoln University, Moberly Area Community College, Missouri Southern State University, Southeast Missouri State University, State Fair Community College, St. Louis Community College, Three Rivers Community College, and Truman State University, did not respond to our request for information.

ASSUMPTION (continued)

Oversight notes this proposal would allow an employer to offer employees a compensatory leave time program on an hour-for-hour basis, and assumes it would be an option which could be offered to employees who are not required by federal law to be paid on a time-and-a-half basis. Accordingly, Oversight assumes this proposal would have no direct fiscal impact to the state or to local governments.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</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.

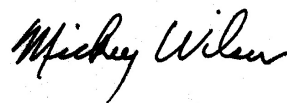
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Administration
Department of Conservation
Department of Labor and Industrial Relations
Department of Transportation
Linn State Technical College
Metropolitan Community Colleges
Missouri State University
Missouri Western State University
Northwest Missouri State University
St. Charles Community College
University of Central Missouri
University of Missouri
Cole County
St. Louis County
City of Kansas City
Fulton Public Schools
Johnson County R-VII School District
St. Louis County Directors of Elections



Mickey Wilson, CPA
Director
March 3, 2014

Ross Strobe
Assistant Director
March 3, 2014