COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.:0360-01Bill No.:HB 91Subject:Employees - Employers; Labor and ManagementType:OriginalDate:January 6, 2017

Bill Summary: This proposal specifies that a person cannot be required to become or refrain from becoming a member of or paying dues to a labor organization as a condition or continuation of employment.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 8 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	
Total Estimated Net Effect on FTE	0	0	0	

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	
Local Government	\$0	\$0	\$0	

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FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of Administration - General Services** assumes that neither any state agency nor any state employee would violate the proposal. Therefore, it is assumed that no successful claims will be made against the Legal Expense Fund and the proposal would thus have no fiscal impact upon the Office of Administration—General Services. <u>However, should</u> that assumption prove incorrect, significant costs could be incurred by the Legal Expense Fund.

 $\underline{\$290.590}$ – This proposed legislation would invalidate any requirement that employees join or refrain from joining a labor organization as a condition of employment and would prohibit any required payment of dues, assessments or similar fees to a labor organization or equivalent payments to third parties. Any person who is injured as a result of any violation or threatened violation of this law shall be entitled to injunctive relief against any and all violators or persons threatening violations and may recover any and all damages including costs and reasonable attorney fees.

The state Self-assumes its own liability under the state Legal Expense Fund, Section 105.711 RSMo. It is a self-funding mechanism whereby funds are made available for the payment of any claim or judgment rendered against the state in regard to the waivers of sovereign immunity or against employees and specified and individuals. Investigation, defense, negotiation or settlement of such claims is provided by the Office of the Attorney General. Payment is made by the Commissioner of Administration with the approval of the Attorney General.

If a claim were successfully brought against a state agency or a state employee alleging a violation of this proposal, the Legal Expense Fund could be required to pay such claim or claims.

Officials at the **Office of Administration - Personnel** assume this proposal would have no impact on their organization.

Officials at the **Department of Corrections**, **Department of Health and Senior Services**, **Department of Mental Health**, and **Department of Social Services** each defer to Office of Administration - Personnel for fiscal impact.

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

Officials at the **Office of Administration - Budget and Planning**, **Office of Administration - Administrative Hearing Commission**, **Department of Agriculture**, **State Auditor's Office**,

CL:LR:OD

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ASSUMPTION (continued)

Department of Conservation, Department of Elementary and Secondary Education, Missouri Ethics Commission, Department of Public Safety - Gaming Commission, Governor's Office, Lieutenant Governor's Office, Missouri House of Representatives, Department of Higher Education, Department of Insurance, Financial Institutions and Professional Registration, Joint Committee on Public Employee Retirement, Joint Committee on Administrative Rules, Department of Labor and Industrial Relations, Lottery Commission, Missouri Consolidated Health Care Plan, Missouri State Employees' **Retirement System, State Highway Employees Retirement System, Department of Natural** Resources, State Public Defender's Office, Office of Prosecution Services, Department of Revenue, Missouri Senate, Office of Secretary of State, Office of State Courts Administrator, Missouri Tax Commission, State Treasurer's Office, Department of Transportation, Department of Public Safety - Capitol Police, Department of Public Safety - Fire Safety Division, Department of Public Safety - Missouri Veterans Commission, Department of Public Safety - Alcohol and Tobacco, and Department of Public Safety -Highway Patrol each assume this proposal will not have a fiscal impact on their respective organizations.

Officials at the **City of Columbia**, **City of Excelsior Springs**, **City of Kansas City** each assume this proposal will not have a fiscal impact on their respective organizations.

Officials at the **Callaway County**, **Cape County**, and **St. Louis County** each assume this proposal will not have a fiscal impact on their respective organizations.

Officials at the Metropolitan Community College, Missouri State University, Missouri Western State University, Northwest Missouri State University, State Technical College of Missouri, Truman State University, University of Central Missouri, and University of Missouri each assume this proposal will not have a fiscal impact on their respective organizations.

Officials at the school districts of **Bowling Green R-I**, **Bronaugh R-VII**, **Cole County R-I**, **Eldon R-I**, **Kansas City**, **Malta Bend**, **Middle Grove C-I**, **Parkway**, **Pettis County R-XII**, **St. Elizabeth R-IV**, **Seymour R-II**, **Special School District of St. Louis County**, **Warren County R-III**, **Wentzville R-IV**, **West Plains R-VII**, and **Wright City R-II** each assume this proposal will not have a fiscal impact on their respective organizations.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Dardenne Prairie, Des Peres, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, L.R. No. 0360-01 Bill No. HB 91 Page 5 of 8 January 6, 2017

ASSUMPTION (continued)

Neosho, O'Fallon, Pacific, Peculiar, Pineville, 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 **Oversight's** request for fiscal impact.

Officials at the following counties: Andrew, Atchison, Audrain, Barry, Bollinger, Boone, Buchanan, Camden, Cape Girardeau, Carroll, Cass, Christian, Clay, Cole, Cooper, DeKalb, Dent, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Maries, Marion, McDonald, Miller, Mississippi, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, Shelby, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

Officials at 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. Charles Community College, St. Louis Community College, and Three Rivers Community College did not respond to **Oversight's** request for fiscal impact.

Officials at the following school districts: Arcadia Valley R-2, Aurora R-8, Avilla R-13, Bakersfield, Belton, Benton County R-2, Bismark R-5, Bloomfield R-14, Blue Springs, Bolivar R-I, Branson, Brentwood, Campbell R-2, Carrollton R-7, Caruthersville, Cassville R-4, Central R-III, Chilhowee R-4, Chillicothe R-II, Clarkton C-4, Columbia, Concordia R-2, Crawford County R-1, Crocker R-II, Delta C-7, East Carter R-2, East Newton R-6, Everton R-III, Fair Grove, Fair Play, Fayette R-3, Forsyth R-3, Fox C-6, Fredericktown R-I, Fulton, Grain Valley, Hancock Place, Hannibal, Harrisonburg R-8, Harrisonville, Hillsboro R-3, Hollister R-5, Humansville R-4, Hurley R-1, Independence, Jefferson City, Kearney R-1, Kennett #39, King City R-1, Kingston 42, Kirbyville R-VI, Kirksville, Laclede County R-1, Laredo R-7, Lee Summit, Leeton R-10, Lewis County C-1, Lindbergh, Lonedell R-14, Macon County R-1, Macon County R-4, Mehville, Mexico, Midway R-1, Milan C-2, Moberly, Monroe City R-I, Morgan County R-2, New Haven, Nixa, North St. Francois Co. R-1, Northeast Nodaway R-5, Odessa R-VII, Oregon-Howell R-III, Orrick R-11, Osage County R-II, Osborn R-O, Pattonville, Pierce City, Plato R-5, Princeton R-5, Raymore-Peculiar R-III, Raytown, Reeds Springs R-IV, Renick R-5, Richland R-1, Riverview Gardens, Salisbury R-4, Sarcoxie R-2, Scotland County R-I, Sedalia, Shelby County R-4, Shell Knob #78, Sikeston, Silex, Slater, Smithville R-2, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, Sullivan, Tipton R-6, Valley R-6, Verona R-7, Warrensburg R-6, Webster Groves, and the Westview C-6 School District did not respond to **Oversight's** request for fiscal impact.

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FISCAL IMPACT - State Government	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FISCAL IMPACT - Local Government	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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 - General Services Office of Administration - Personnel Department of Corrections Department of Health and Senior Services Department of Mental Health Department of Social Services Attorney General's Office Office of Administration - Budget and Planning Office of Administration - Administrative Hearing Commission Department of Agriculture State Auditor's Office Department of Conservation Department of Elementary and Secondary Education Missouri Ethics Commission Department of Public Safety - Gaming Commission Governor's Office

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SOURCES OF INFORMATION (continued)

Lieutenant Governor's Office Missouri House of Representatives Department of Higher Education Department of Insurance, Financial Institutions and Professional Registration Joint Committee on Public Employee Retirement Joint Committee on Administrative Rules Department of Labor and Industrial Relations Lottery Commission Missouri Consolidated Health Care Plan Missouri State Employees' Retirement System State Highway Employees Retirement System Department of Natural Resources State Public Defender's Office Office of Prosecution Services Department of Revenue Missouri Senate Office of Secretary of State Office of State Courts Administrator Missouri Tax Commission State Treasurer's Office Department of Transportation Department of Public Safety - Capitol Police Department of Public Safety - Fire Safety Division Department of Public Safety - Missouri Veterans Commission Department of Public Safety - Alcohol and Tobacco Department of Public Safety - Highway Patrol City of Columbia City of Excelsior Springs City of Kansas City Callaway County Cape County St. Louis County Metropolitan Community College Missouri State University Missouri Western State University Northwest Missouri State University State Technical College of Missouri Truman State University

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SOURCES OF INFORMATION (continued)

University of Central Missouri University of Missouri School Districts: Bowling Green R-I Bronaugh R-VII Cole County R-I Eldon R-I Kansas City Malta Bend Middle Grove C-I Parkway Pettis County R-XII St. Elizabeth R-IV Seymour R-II Special School District of St. Louis County Warren County R-III Wentzville R-IV West Plains R-VII Wright City R-II

Mickey Wilen

Mickey Wilson, CPA Director January 6, 2017

Ross Strope Assistant Director January 6, 2017