

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5668H.01I
Bill No.: HB 2876
Subject: State Employees
Type: Original
Date: April 16, 2024

Bill Summary: This proposal modifies provisions for public employees.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Labor and Industrial Relations**, the **Department of Corrections**, the **Missouri Department of Transportation**, the **Missouri Department of Conservation**, the **Department of Public Safety – Highway Patrol**, the **Missouri State Employee's Retirement System**, the **Joint Committee on Public Employee Retirement**, and the **MoDOT & Patrol Employees' Retirement System** each assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for all above agencies.

Officials from the **Office of Administration (OA)** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for the OA.

Officials from the **Department of Public Safety – Director's Office** and the **Department of Public Safety – Veterans Commission** both defer to the **Office of Administration** for the potential fiscal impact of this proposal.

Officials from the **University of Missouri System** and the **Northwest Missouri State University** both assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for both Universities.

Officials from the **University of Central Missouri (UCM)** assume the proposal would have an indeterminate fiscal impact. It may upset employees because it creates more of a process for bargaining units, which can feel limiting. Costs could include replacing staff and/or educating staff on new law.

Oversight assumes UCM is provided with core funding to handle a certain amount of activity each year. Oversight assumes UCM could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, UCM could request funding through the appropriation process.

Officials from the **City of Kansas City** assume that if 105.519, requiring open meetings, does apply to their public safety unions than it would have a negative fiscal impact because it would greatly lengthen the amount of time spent on negotiations.

Oversight assumes each local political subdivision can absorb any cost associated with this proposal and will reflect a \$0 fiscal impact for this proposal.

Officials from the **Newton County Health Department**, the **Kansas City Police Retirement System**, the **Kansas City Civilian Police Employees' Retirement**, the **Kansas City Public**

School Retirement System, the Metro St. Louis Sewer District Employees Pension Plan, the Public Education Employees Retirement System, and the Sheriff’s Retirement System each assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for all above entities.

Officials from the **Office of the Secretary of State (SOS)** note 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 this fiscal note to the SOS for Administrative Rules is less than \$5,000. 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 its 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.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<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

Department of Labor and Industrial Relations

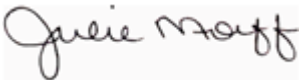
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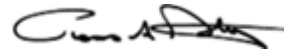
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Department of Corrections
Missouri Department of Transportation
Missouri Department of Conservation
Missouri State Employee's Retirement System
Joint Committee on Public Employee Retirement
MoDOT & Patrol Employees' Retirement System
Department of Public Safety – Director's Office
Department of Public Safety – Veterans Commission
Department of Public Safety – Highway Patrol
Office of Administration
University of Missouri System
Northwest Missouri State University
University of Central Missouri
Newton County Health Department
Kansas City Police Retirement System
Kansas City Civilian Police Employees' Retirement
Kansas City Public School Retirement System
Metro St. Louis Sewer District Employees Pension Plan
Public Education Employees Retirement System
Sheriff's Retirement System



Julie Morff
Director
April 16, 2024



Ross Strobe
Assistant Director
April 16, 2024