

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4925-01
Bill No.: SB 596
Subject: Emergencies; Employment; Governor and Lt. Governor; Labor and Industrial Relations; Labor and Management
Type: Original
Date: January 13, 2012

Bill Summary: This proposal suspends the prevailing wage laws in areas declared by the Governor to be natural disasters for five years following such a declaration.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
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 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Budget and Planning, Department of Economic Development** and the **Department of Labor and Industrial Relations** assume that there is no fiscal impact from this proposal.

Officials at the **Office of Administration** defer to Department of Labor and Industrial Relations for a response.

Officials at the **City of Kansas City** assume eliminating the prevailing wage requirements may or may not result in a savings. If bids include wages that meet or exceed the prevailing wage, no savings may be incurred. If bids are below the prevailing wage, savings of the difference between the prevailing wage and the reduced bid (if such a savings are passed onto the City) could be experienced.

Officials at the City of Joplin, Jasper County, Newton County and the City of St. Louis did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<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 fiscal impact.

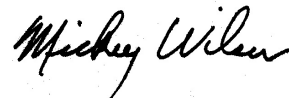
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Budget and Planning
City of Kansas City
Department of Economic Development
Department of Labor and Industrial Relations
Office of Administration

NOT RESPONDING

City of Joplin
Jasper County
Newton County
City of St. Louis



Mickey Wilson, CPA
Director
January 13, 2012