

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0342-01
Bill No.: SB 29
Subject: Employees - Employers; Labor and Industrial Relations Dept.; Labor and Management
Type: Original
Date: December 29, 2016

Bill Summary: This proposal modifies the law relating to prevailing wage.

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 7 pages.

| 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 |

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Conservation (MDC)** assume this proposal will have a positive fiscal impact estimated as unknown or greater than \$100,000 to their organization.

Oversight will not show a fiscal impact to MDC because Oversight assumes MDC has a budgeted amount for public works projects and any savings on a project would be reallocated to other projects.

Officials at the **Office of Administration - Facilities, Management and Design Construction (OA-FMDC)** assume this proposal may have a positive fiscal impact by reducing the overall cost of certain projects. However, OA-FMDC is unable to determine the amount of such cost savings. OA-FMDC assumes any Facilities Maintenance Reserve Fund (FMRF) savings will be used to decrease other deferred maintenance projects.

Officials at the **Office of Administration - Budget and Planning, Department of Natural Resources, Department of Corrections, Department of Insurance, Financial Institutions and Professional Registration, Department of Mental Health, Department of Revenue, Department of Public Safety - Veterans Commission, Department of Social Services** each defer to Office of Administration - Facilities, Management and Design Construction for fiscal impact.

Officials at the Office of Administration - Administrative Hearing Commission, **Office of Administration - Personnel, Department of Agriculture, Attorney General's Office, State Auditor's Office, Missouri Ethics Commission, Department of Elementary and Secondary Education, Joint Committee on Administrative Rules, Department of Health and Senior Services, Department of Higher Education, Department of Labor and Industrial Relations, Lottery Commission, Missouri Consolidated Health Care Plan, Office of Lieutenant Governor, Missouri State Employees' Retirement System, State Highway Employees Retirement System, Office of State Courts Administrator, State Public Defender's Office, Office of Prosecution Services, Office of Secretary of State, Missouri Tax Commission, Department of Transportation, State Treasurer's Office, Department of Public Safety - Fire Safety Division, Department of Public Safety - Capitol Police, Department of Public Safety - Gaming Commission, and Department of Public Safety - Highway Patrol** each assume this proposal will not have a fiscal impact on their respective organizations.

ASSUMPTION (continued)

Officials at the **City of Kansas City** assume this proposal will not have a fiscal impact on their organization.

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

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

Officials at the school districts of **Kansas City and West Plains R-VII** 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, Columbia, Dardenne Prairie, Des Peres, Excelsior Springs, 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, 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, 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, Missouri Western State University, Northwest Missouri 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.

ASSUMPTION (continued)

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, Bowling Green R-1, Branson, Brentwood, Bronaugh R-7, Campbell R-2, Carrollton R-7, Caruthersville, Cassville R-4, Central R-III, Chilhowee R-4, Chillicothe R-II, Clarkton C-4, Cole R-I, Columbia, Concordia R-2, Crawford County R-1, Crocker R-II, Delta C-7, East Carter R-2, East Newton R-6, Eldon R-I, 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, Malta Bend, Mehville, Mexico, Middle Grove C-1, 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, Parkway, Pattonville, Pettis County R-12, 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, Seymour R-2, Shelby County R-4, Shell Knob #78, Sikeston, Silex, Slater, Smithville R-2, Special School District of St. Louis County, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, St. Elizabeth R-4, Sullivan, Tipton R-6, Valley R-6, Verona R-7, Warren County R-3, Warrensburg R-6, Webster Groves, Westview C-6 and the Wright City R-2 School District did not respond to **Oversight's** request for fiscal impact.

| | | | |
|---|---------------------|------------|------------|
| <u>FISCAL IMPACT - State Government</u> | FY 2018 (10 Mo.) | FY 2019 | FY 2020 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

| | | | |
|---|---------------------|------------|------------|
| <u>FISCAL IMPACT - Local Government</u> | FY 2018 (10 Mo.) | FY 2019 | FY 2020 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

Small businesses that would no longer receive prevailing wage could be impacted.

FISCAL DESCRIPTION

This act modifies the definition of "construction" for purposes of prevailing wage laws. The definition of "maintenance work" is also modified to include repairs that restore existing facilities to a previous state or condition or improve the utility or enhance the appearance of existing facilities when the size, type or extent of the existing facilities is not thereby changed or increased. Maintenance work further includes any improvement done that does not exceed the original cost of the facility.

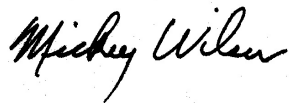
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Conservation
Office of Administration- Facilities, Management and Design Construction
Office of Administration - Budget and Planning
Department of Natural Resources
Department of Corrections,
Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Revenue
Department of Public Safety - Veterans Commission
Department of Social Services
Office of Administration - Personnel
Department of Agriculture
Attorney General's Office
State Auditor's Office
Missouri Ethics Commission
Department of Elementary and Secondary Education
Joint Committee on Administrative Rules
Department of Health and Senior Services
Department of Higher Education
Department of Labor and Industrial Relations
Lottery Commission
Missouri Consolidated Health Care Plan
Office of Lieutenant Governor
Missouri State Employees' Retirement System
State Highway Employees Retirement System
Office of State Courts Administrator

SOURCES OF INFORMATION (continued)

State Public Defender's Office
Office of Prosecution Services
Office of Secretary of State
Missouri Tax Commission
Department of Transportation
State Treasurer's Office
Department of Public Safety - Fire Safety Division
Department of Public Safety - Capitol Police
Department of Public Safety - Gaming Commission
Department of Public Safety - Highway Patrol
City of Kansas City
Callaway County
Cole County
St. Louis County
Metropolitan Community College
Missouri State University
State Technical College of Missouri
Truman State University
University of Missouri
Central Missouri University
Kansas City School District
West Plains School District



Mickey Wilson, CPA
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December 29, 2016

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