

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0913-03
Bill No.: SB 227
Subject: Drugs and Controlled Substances; Employees - Employers
Type: Original
Date: February 13, 2019

Bill Summary: This proposal enacts new provisions allowing employer policies relating to employee drug use.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration (OA), Division of Personnel** state the OA currently performs drug testing on a limited number of individuals in certain positions as deemed necessary for safety and security purposes. The Division of Personnel assumes it would continue this practice, as the language of this bill is optional.

If OA continues its current practice, there would be no impact to this legislation; however, if OA were to perform drug testing as permitted by this proposed legislation, the estimated cost to OA would be \$126,300 per year. This estimate is based upon the assumption that all OA employees would be randomly tested once per year in addition to all new hires tested upon offer of conditional employment. The cost for drug testing under OA's current contract is \$60. OA currently has 1,821 employees, and has averaged 284 employees tested per year in the past ten years $((1,821 + 284) \times \$60 = \$126,300)$.

Oversight notes that the **Office of Attorney General, the Department of Agriculture, the Department of Economic Development, Divisions of: Business and Community Services, Workforce Development, Human Resources, and Missouri One Start, the Department of Higher Education, the Department of Elementary and Secondary Education, the Department of Health and Senior Services, the Department of Insurance, Financial Institutions and Professional Registration, the Department of Mental Health, the Department of Natural Resources, the Department of Corrections, the Department of Labor and Industrial Relations, the Department of Revenue, the Department of Public Safety, Divisions of: Alcohol and Tobacco Control, Capitol Police, Director's Office, Fire Safety, Missouri Gaming Commission, Missouri State Highway Patrol, Missouri National Guard, State Emergency Management Agency, and the Missouri Veterans Commission, the Department of Social Services, the Office of the Governor, the Joint Committee on Administrative Rules, the Missouri Lottery Commission, the Missouri Consolidated Health Care Plan, the Missouri Department of Conservation, the Missouri Ethics Commission, the Missouri House of Representatives, the Missouri Department of Transportation, the Missouri Office of Prosecution Services, the Missouri State Employees Retirement System, the Office of State Courts Administrator, the Office of State Auditor, the Missouri Senate, the Office of Secretary of State, the Office of State Public Defender, the State Treasurer's Office, the City of Creighton, the City of Kansas City, the City of Keytesville, Monroe County, Ray County, St. Francois County, St. Louis County, the Adair County Health**

ASSUMPTION (continued)

Department, the Andrew County Health Department, the Bollinger County Health Center, the Clay County Public Health Center, the Cole County Health Department, the Columbia/Boone County Department of Public Health and Human Services, the Mississippi County Health Department, the Tri County Health Department, the Joplin Police Department, the Springfield Police Department, the St. Louis County Police Department, the St. Louis County Department of Justice Services, Francis Howell School District, Springfield Public Schools, Missouri State University, State Technical College, the University of Central Missouri and the University of Missouri have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

Officials from the **Office of Lieutenant Governor** did not respond to **Oversight's** request for a statement of fiscal impact.

Oversight assumes this proposal is permissive in nature, and would allow employers (including public governmental bodies) to institute a random drug-testing policy. Oversight assumes random drug testing is already allowed by law. Therefore, Oversight will not reflect a cost to the state or to local political subdivisions.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal may impact small businesses that choose to perform drug tests on their employees and/or new hires.

FISCAL DESCRIPTION

This act provides that an employer may refuse to accommodate the use of marijuana on its premises for any use described in Article XIV of the Missouri Constitution. The act further provides that an employer may institute a random drug-testing policy. Receipt of a positive drug test for marijuana may be considered grounds for dismissal in the case of an employee or, in the case of a prospective employee, refusal of employment.

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 Attorney General
Department of Agriculture
Department of Economic Development -
 Business and Community Services
 Workforce Development
 Human Resources
 Missouri One Start
Department of Elementary and Secondary Education
Department of Higher Education
Department of Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Natural Resources
Department of Corrections
Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety -
 Alcohol and Tobacco Control
 Capitol Police
 Director's Office
 Fire Safety
 Missouri Gaming Commission
 Missouri State Highway Patrol
 Missouri National Guard
 State Emergency Management Agency
 Missouri Veterans Commission

SOURCES OF INFORMATION (continued)

Department of Social Services
Office of the Governor
Joint Committee on Administrative Rules
Missouri Lottery
Missouri Consolidated Health Care Plan
Missouri Department of Conservation
Missouri Ethics Commission
Missouri House of Representatives
Missouri Department of Transportation
Missouri Office of Prosecution Services
Missouri State Employees Retirement System
Office of Administration
Office of State Courts Administrator
Office of State Auditor
City of Creighton
City of Kansas City
City of Keytesville
Monroe County
Ray County
St. Francis County
St. Louis County
Adair County Health Department
Andrew County Health Department
Bollinger County Health Center
Clay County Public Health Center
Cole County Health Department
Columbia/Boone County Department of Public Health and Human Services
Mississippi County Health Department
Tri County Health Department
Joplin Police Department
Springfield Police Department
St. Louis County Police Department
St. Louis County Department of Justice Services
Francis Howell School District
Springfield Public Schools
Missouri State University
State Technical College

SOURCES OF INFORMATION (continued)

University of Central Missouri
University of Missouri

NOT RESPONDING

Office of Lieutenant Governor



Kyle Rieman
Director
February 13, 2019

Ross Strobe
Assistant Director
February 13, 2019