

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0875S.01I
Bill No.: SB 110
Subject: Office of Administration; Merit System; State Employees
Type: Original
Date: January 23, 2023

Bill Summary: This proposal abolishes the Personnel Advisory Board.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
General Revenue Fund	\$8,567	\$8,567	\$8,567
Total Estimated Net Effect on General Revenue	\$8,567	\$8,567	\$8,567

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
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 2024	FY 2025	FY 2026
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 36.050.5 – Personnel Advisory Board

Officials from the **Office of Administration (OA)** state this section specifies each public member of the board shall be paid an amount for each day devoted to the work of the board. The total expenditures for the two public members appointed to the Personnel Advisory Board were payments of \$5,040, \$5,308, and \$3,455 in FY2020, FY2021, and FY2022, respectively. The elimination of the Personnel Advisory Board will eliminate these payments and therefore have a positive fiscal impact. The FY2023 per diem for a public member of the board members is \$356.97. If there were twelve meetings held, \$4,283.64 would be paid out to each of the two public board members – a total of \$8,567 projected annual savings.

Additionally, while this proposal does not eliminate any FTE, this legislation would obviate the need for numerous team members to spend hours preparing for and attending monthly Personnel Advisory Board meetings saving additional state resource

Oversight does not have any information to the contrary. Therefore, Oversight will reflect an annual cost avoidance to the General Revenue Fund of \$8,567.

Officials from the **Department of Commerce and Insurance**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Health and Senior Services**, 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 (Office of the Director, Capitol Police, Alcohol & Tobacco Control, Fire Safety, Gaming Commission, Missouri Highway Patrol, Missouri National Guard, State Emergency Management Agency and Veterans Commission)**, the **Department of Social Services**, the **Office of the Governor**, the **Joint Committee on Public Employee Retirement**, the **Missouri Lottery Commission**, the **Missouri Consolidated Health Care Plan**, the **Department of Agriculture**, the **Missouri Department of Conservation**, the **Missouri Ethics Commission**, the **Missouri House of Representatives**, the **Department of Transportation**, the **Office of Prosecution Services**, the **Office of Administration (Administrative Hearing Commission)**, the **Office of the State Courts Administrator**, the **Office of the State Auditor**, the **Missouri Senate** the **Office of the State Public Defender**, the **and the State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

Officials from the **Department of Mental Health** defer to the Office of Administration for the potential fiscal impact of this proposal.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

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 2024 (10 Mo.)	FY 2025	FY 2026
GENERAL REVENUE FUND			
<u>Cost Avoidance – OA</u> Elimination of the PAB	<u>\$8,567</u>	<u>\$8,567</u>	<u>\$8,567</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>\$8,567</u>	<u>\$8,567</u>	<u>\$8,567</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<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

This act eliminates the Personnel Advisory Board and gives all duties and responsibilities previously held by the board to the Director of the Personnel Division and the Commissioner of Administration. The act additionally makes the position of Director of the Personnel Division appointed by the Commissioner of Administration.

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 Commerce and Insurance

Department of Economic Development

Department of Elementary and Secondary Education

Department of Higher Education and Workforce Development

Department of Health and Senior Services

Department of Mental Health

Department of Natural Resources

Department of Corrections

Department of Labor and Industrial Relations

Department of Revenue

Department of Public Safety

 Office of the Director

 Division of Alcohol and Tobacco Control

 Capitol Police

 Fire Safety

 Missouri Gaming Commission

 Missouri Highway Patrol

 Missouri National Guard

 State Emergency Management Agency

 Missouri Veterans Commission

Department of Social Services

Office of the Governor

Joint Committee on Public Employee Retirement

Joint Committee on Administrative Rules

Missouri Lottery Commission

Legislative Research

Oversight Division

Local Government Employees Retirement System

Missouri Consolidated Health Care Plan

Missouri Department of Agriculture

Missouri Department of Conservation

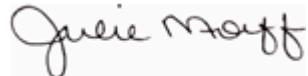
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Missouri Ethics Commission
Missouri House of Representatives
Office of the Lieutenant Governor
Missouri Department of Transportation
Missouri State Employee's Retirement System
MoDOT & Patrol Employees' Retirement System
Missouri Office of Prosecution Services
Office of Administration
 Administrative Hearing Commission
Facilities Management, Design and Construction
Office of the State Courts Administrator
Office of the State Auditor
Missouri Senate
Office of the Secretary of State
Office of the State Public Defender
Public Schools and Education Employee Retirement Systems
State Tax Commission



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January 23, 2023



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