

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4165-02
Bill No.: SB 1161
Subject: Appropriations; Department of Corrections; Law Enforcement Officers and Agencies
Type: Original
Date: March 4, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration – Division of Budget and Planning** assume the proposed legislation should not result in additional costs or savings to their division.

Officials from the **Department of Corrections (DOC)** assume the DOC would be subject to Office of Administration (OA) Division of Personnel and State Merit System guidelines pursuant to requesting the Corrections Officer (CO) merit classes passage of this bill would mandate.

DOC would be allowed to request FTE for these newly formed CO job classes through the normal budget procedure beginning July 1, 2005. It is unknown at this time what the qualifications or duties would be for these CO class levels, how many officers would be requested and the number the Legislature would approve and appropriate for funding. Pay increases would also be required for supervisory staff so that they would not have a salary lower than their staff. The OA would have to determine appropriate class adjustments.

In summary, fiscal impact for the DOC is unknown, but would be subject to normal budget procedure and appropriation for the specific time period.

Officials from the **Office of Administration – Division of Personnel** assume increasing the pay of the employees in the existing Corrections Officer I and Corrections Officer II classes by 10% would create pay inequities with other employees in the other levels of Corrections Officer (Corrections Officer III, Corrections Supervisor I, and Corrections Supervisor II) classes. Potentially other employees in the Department of Corrections who are not now Corrections Officers, but who once were Corrections Officers, would have their earnings surpassed by less senior employees in lower level positions.

The establishment of two new Corrections Officer classes with the first set at pay rate 10% above the current Corrections Officer I and the second at a pay rate 10% higher than the first new class would create compression within the Classification and Pay Plan, particularly within the Corrections Officer classifications.

The Division of Personnel assumed it was difficult to estimate the actual impact of this legislation due to the ambiguous language in the bill. Two classes are proposed but no indication of purpose or expected staffing level.

According to the proposed legislation the two new classes would not be effected until FY 06, therefore the fiscal impact is beyond the scope of the fiscal note. The fiscal impact for FY06 using existing data and based on the assumption that the intent of the proposed legislation is to move employees in the existing Corrections Officer I class to the new pay rate, and to move ASSUMPTION (continued)

employees in the existing Corrections Officer II class to the second new pay rate would be approximately \$12,548,466. This would be the cost of increasing the pay rate of 4424

Corrections Officer I's by 10% and by increasing the rate of 580 additional employees who are in the Corrections Officer II class by 10% above the new rate for the Corrections Officer I pay rate.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<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.

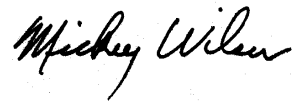
DESCRIPTION

The proposed legislation would require the Department of Corrections, prior to fiscal year 2006, to create two new Corrections Officer classifications. The first of these new classifications would have a pay rate at least 10% higher than the pay rate of a Corrections Officer I. The second of these new classifications would have a pay rate at least 10% higher than the pay rate of the first new classification. The provisions of this act are subject to appropriations.

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

SOURCES OF INFORMATION

Office of Administration
– Division of Budget and Planning
– Division of Personnel
Department of Corrections



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March 4, 2002