

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 8, 2023

Agency Submitting: Department of Administration, Human Resource Management

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
CAT 01 - PERSONNEL (Expense)		\$72,061	\$99,278	\$198,556
CAT 04 - OPERATING (Expense)		\$439	\$445	\$890
CAT 05 - EQUIPMENT (Expense)		\$7,297		
CAT 26 - INFORMATION SERVICES (Expense)		\$524,458	\$880	\$1,760
Total	0	\$604,255	\$100,603	\$201,206

Explanation

(Use Additional Sheets of Attachments, if required)

The Division has reviewed S.B. 388 and determined that there will be a fiscal impact to the Division of Human Resource Management (DHRM). Sections 1 and 2 of the bill allow for a negotiated rate for employee retirement contributions to be included in collective bargaining agreement contract negotiations.

Because the retirement contributions percentages will be negotiated, the rates could be different throughout the various bargaining units, resulting in additional programming to the payroll system, including unique retirement deduction codes. There would need to be extensive testing of the system as it is complex process not easily updated in the system. There are several bargaining units that currently participate in a shared pay policy, and this bill could result in new pay policy codes to be set up if new retirement contribution percentages are needed.

An additional staff member to implement the parameters of this legislation will be necessary since the LRU's workload will be increased due to the addition of retirement contributions as a mandatory subject of bargaining.

One (1) Personnel Analyst III (PA III) position will support the development, interpretation, and administration of the union contract regarding wages, benefits, employee working conditions, health care, pensions, union and management practices, grievances, and other contractual provisions. This position will provide data and answer questions, provide technical direction, resolve sensitive and controversial issues, and direct and participate in the investigation and resolution of complaints related to assigned Program areas and activities. The PA III will assist in researching, analyzing, and interpreting collective bargaining agreements and decisions; and collect requested data to support the State's position. The position will work as an advisor to HR staff members and other managers of collective bargaining units to ensure compliance with the contracts.

Name Mandee Bowsmith

Title Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

The agency's response appears reasonable.

Date Friday, April 07, 2023

Name Amy Stephenson

Title Director