

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0951-01
Bill No.: HB 573
Subject: Missouri Commission on Total Compensation
Type: Original
Date: May 18, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Governor, Missouri State Employees' Retirement System, Missouri Consolidated Health Care Plan, Highway and Transportation Employees' and Highway Patrol Retirement System** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Missouri State Senate** assume the proposed legislation would have negligible fiscal impact on their agency. Officials noted that, based on the language in the proposal, there would be a couple of senate members on this commission with the only expenses being travel, which could be absorbed within current appropriations.

Officials from the **Missouri House of Representatives** assume that the money required to reimburse the necessary and reasonable expenses of the Commission will be appropriated to the Office of Administration.

In response to an identical proposal from this session (SB 354), officials from the **Office of Administration (COA)** assume their agency would be responsible for reimbursing members of the commission for travel and other expenses actually and necessarily incurred in the performance of their duties. Officials assume the commission will meet eight (8) times per year and the Governor may appoint individuals from various parts of the state, therefore, officials have assumed an average cost per member for travel and per diem expenses. Officials estimate the total yearly cost to be \$3,120 (13 commission members x 8 meetings x \$30 (\$10 per diem expenses + \$20 travel expenses)). However, they assume the costs to their agency would range from \$2,500 to \$5,000.

Oversight assumes that the costs related to this proposal could be absorbed with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<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

This proposal would create the Missouri Commission on Total Compensation. The purpose of the Commission is to establish a comprehensive approach to address total compensation of state employees. The Missouri Commission on Total Compensation will consist of thirteen members. The Commission will meet at least four times per year and is required to provide a report to the Governor and General Assembly annually. The members of the commission shall be reimbursed for travel and other expenses actually and necessarily incurred in the performance of their duties by the office of administration.

The Commission will evaluate and recommend action on compensation, retention and recruitment issues. It will cooperate with other agencies in developing a comprehensive approach to total state employee compensation. The Commission will have the power to conduct or participate in studies and hold hearings relating to total compensation of state employees. Prior to October 1 each year the Commission will recommend options to the governor on budget allocation for the total compensation package for state employees.

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

Highway and Transportation Employees' and Highway Patrol Retirement System
Missouri Consolidated Health Care Plan
Missouri House of Representatives
Missouri State Employees' Retirement System
Missouri State Senate
Office of Administration
Office of the Governor



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Director

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