

FISCAL NOTE

Bill #: SB0468

Title: Extend appointing power of governor to deputy directors, division administrators

Primary Sponsor: Fred Thomas

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
Expenditures:		
General Fund	190,440	0
State or Federal Special Revenue	190,440	0
Revenues:	0	0
Net Impact on General Fund Balance:	(\$190,440)	0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. This legislation will affect a total of 90 positions.
2. The employees who currently hold these positions have an average of about 22 years of service, are about 52 years of age, and earn about \$60,000.
3. Some members have already purchased some additional service and would not be eligible for the full three years allowed in Section 5 of the bill, and some would choose to purchase less than three years of additional service. The average would be about 2 years.

4. If this legislation passes, it is assumed that about 23 of the non-director positions would be replaced in FY 2001 and another 23 would be replaced in FY 2002. None are anticipated to be replaced in FY 2003.
5. The average employer share (state) is \$16,560 for two years of additional service, or \$380,880 for 23 people. Because of the immediate effective date, this amount would be paid out in both FY 2001 and FY 2002.
6. Fifty percent would be funded by the general fund and fifty percent would be funded from other sources such as state special or federal special revenue.

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Expenditures:</u>		
Personal Services	\$380,880	0
<u>Funding:</u>		
General Fund (01)	190,440	0
State or Federal Special Revenue	<u>190,440</u>	<u>0</u>
TOTAL	\$380,880	\$0

Net Impact to Fund Balance (Revenue minus Expenditure):

General Fund (01)	(\$190,440)	\$0
State or Federal Special Revenue	(\$190,440)	\$0

LONG-RANGE IMPACTS:

If each new administration has a 100 percent level of new appointments, the cost could be as much as \$1.5 million for all funds. In future years, the cost may be less if more people were appointed who were not members of the retirement system, or who were not eligible for retirement.