FISCAL NOTE

Bill #: HB0012 **Title:** State employee pay plan reduction

Primary Sponsor: Dave Kasten **Status:** As Introduced

Sponsor signature Date Chuck Swysgood, Budget Director Date

Fiscal Summary

	FY2003 Difference
Expenditures:	
General Fund	(1,400,000)

Yes	No		Yes	No	
	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. The number of frozen positions is based upon a snapshot of non-critical vacant positions existing on the human resource system as of May 15, 2002.
2. The average salary is $32,390, employer benefits are 15.7 percent of salary plus $4,140 for health insurance.
3. Average employee turnover is 12 percent annually.
4. Savings from a hiring freeze would be partially offset by the 4% vacancy savings applied by the 2001 legislature.
5. The Montana University System is exempted.
6. The act terminates at the end of FY 2003.

FISCAL IMPACT:

	FY2003 Difference
Expenditures:	
Personal Services	(1,400,000)
Funding:	
General Fund	(1,400,000)