



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2021 Biennium

Bill #	HB0175	Title:	Provide for state employee pay plan
Primary Sponsor:	Dooling, Julie	Status:	As Introduced

- ☐ Significant Local Gov Impact
 ☐ Needs to be included in HB 2
 ☒ Technical Concerns
☐ Included in the Executive Budget
 ☐ Significant Long-Term Impacts
 ☐ Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2020 Difference</u>	<u>FY 2021 Difference</u>	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>
Expenditures:				
General Fund	\$7,065,627	\$14,603,949	\$19,419,836	\$19,419,836
State Special Revenue	\$3,337,790	\$7,212,379	\$9,504,063	\$9,504,063
Federal Special Revenue	\$2,141,722	\$5,232,478	\$6,906,063	\$6,906,063
Other	\$109,187	\$169,089	\$224,145	\$224,145
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$7,065,627)</u>	<u>(\$14,603,949)</u>	<u>(\$19,419,836)</u>	<u>(\$19,419,836)</u>

Description of fiscal impact: HB 175 provides for a 50 cent per hour pay increase for state and university system employees in January 2020 and January 2021. The bill also increases the per diem amount allowed for employees for meals when employees are in travel status.

FISCAL ANALYSIS

Assumptions:

- HB 175 provides for a pay increase for state and university system employees of 50 cents per hour January 1, 2020 and January 1, 2021. The cost of this pay increase is \$8.8 Million in FY 2020 and \$26.5 Million in FY 2021. Because the pay increase for FY 2021 is for a partial year, costs in FY 2022 and FY 2023 reflect annualization of the 50 cents per hour.

- The bill also increases per diem amounts allowed for employees in travel status. The breakfast allowance is increased from \$5 to \$7.50, the lunch allowance is increased from \$6 to \$8.50, and the dinner allowance is increased from \$12 to \$14.50. The cost of the increase \$709,259 annually.
- The bill retains the employer share for employee health insurance at the existing rate, so there is no fiscal impact.
- Section 4 (4) of the bill includes appropriations to the Office of Budget and Program Planning that provide contingency funds when agencies have excessive retirement costs, are unable to meet vacancy savings levels imposed by the legislature, or other unanticipated personal services requirements.
- Section 4(5) of the bill provides funding for a labor-management training initiative.



	<u>FY 2020 Difference</u>	<u>FY 2021 Difference</u>	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	\$11,870,067	\$26,508,636	\$35,344,848	\$35,344,848
Operating Expenses	\$784,259	\$709,259	\$709,259	\$709,259
TOTAL Expenditures	\$12,654,326	\$27,217,895	\$36,054,107	\$36,054,107
<u>Funding of Expenditures:</u>				
General Fund (01)	\$7,065,627	\$14,603,949	\$19,419,836	\$19,419,836
State Special Revenue (02)	\$3,337,790	\$7,212,379	\$9,504,063	\$9,504,063
Federal Special Revenue (03)	\$2,141,722	\$5,232,478	\$6,906,063	\$6,906,063
Other	\$109,187	\$169,089	\$224,145	\$224,145
TOTAL Funding of Exp.	\$12,654,326	\$27,217,895	\$36,054,107	\$36,054,107
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0

Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	(\$7,065,627)	(\$14,603,949)	(\$19,419,836)	(\$19,419,836)
State Special Revenue (02)	(\$3,337,790)	(\$7,212,379)	(\$9,504,063)	(\$9,504,063)
Federal Special Revenue (03)	(\$2,141,722)	(\$5,232,478)	(\$6,906,063)	(\$6,906,063)
Other	(\$109,187)	(\$169,089)	(\$224,145)	(\$224,145)

Technical Notes:

- HB 175 is identical to HB 13 which is introduced as a component of the Executive Budget.

 Sponsor's Initials	1/14/19 Date	 Budget Director's Initials	1/13/19 Date
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