



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2023 Biennium

<b>Bill #</b>	SB0202	<b>Title:</b>	Remote work productivity accountability act
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<b>Primary Sponsor:</b>	Sales, Walt	<b>Status:</b>	As Introduced
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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input type="checkbox"/> Needs to be included in HB 2  | <input checked="" type="checkbox"/> Technical Concerns   |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
<b>Expenditures:</b>				
General Fund	\$6,885	\$13,061	\$13,221	\$13,456
Other	\$46,737	\$88,663	\$89,750	\$91,343
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>(\$6,885)</u>	<u>(\$13,061)</u>	<u>(\$13,221)</u>	<u>(\$13,456)</u>

**Description of fiscal impact:** SB 202 would require the Department of Administration to implement a remote work and accountability pilot program to track hours worked remotely. The department will incur additional software tracking costs, and a project manager will be hired to implement and oversee this pilot study.

### FISCAL ANALYSIS

#### Assumptions:

#### **Department of Administration**

- The pilot study will begin January 1, 2022 and continue through June 30, 2025.
- Only state agencies will participate in the pilot study.
- If contractors were included in the pilot study, there would be an additional cost to the state for expenses related to software, storage, and potential liability exposure. This additional cost is estimated to be \$174,792 for fiscal years 2022 and 2023, \$177,414 for fiscal year 2024, and \$180,075 for fiscal year 2025. A 1.5% inflationary factor is included for fiscal years 2024 and 2025.
- This figure is calculated based on a projected 3% increase to the average information technology contract price of \$485,535 (\$14,566) multiplied by an estimated twelve participating contractors.

5. Due to cost, it is assumed that contractors would not be included in the pilot study. Therefore, the above costs are not included in this fiscal note.
6. It is estimated that five agencies, with twenty employees in each agency, will participate for a total of 100 employees.
7. The Department of Administration will purchase licenses for a software tracking program at an annual cost of \$30,000 (\$25 per month x 12 months x 100 employees). Since the effective date of this bill is January 1, 2022, only half of these expenses are included in fiscal year 2022 (January through June charges).
8. One new project manager will be hired by January 1, 2022 to implement the pilot study. Annual salary and benefits are estimated at \$71,724. Since the effective date of this bill is January 1, 2022, only half the FTE and half of the salary and benefits costs are included in fiscal year 2022 (January through June charges).
9. A 1.5% inflationary factor is included for fiscal years 2024 and 2025.
10. Charges for a new employee computer (\$1,200) and office equipment (\$1,600) are included in fiscal year 2022.
11. Estimated costs are allocated 12.84% to the general fund and 87.16% to internal service funds (Other). This allocation is based on current funding for expenditures recorded in the information technology consulting account (#62136).

**Legislative Branch – Legislative Audit Division**

12. There is no fiscal impact to the Legislative Audit Division, since the performance audit required in this bill will be conducted using existing resources.

	<b><u>FY 2022</u></b> <b><u>Difference</u></b>	<b><u>FY 2023</u></b> <b><u>Difference</u></b>	<b><u>FY 2024</u></b> <b><u>Difference</u></b>	<b><u>FY 2025</u></b> <b><u>Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b>FTE</b>	0.50	1.00	1.00	1.00
<b><u>Expenditures:</u></b>				
Personal Services	\$35,862	\$71,724	\$72,521	\$73,892
Operating Expenses	\$17,800	\$30,000	\$30,450	\$30,907
<b>TOTAL Expenditures</b>	<b>\$53,662</b>	<b>\$101,724</b>	<b>\$102,971</b>	<b>\$104,799</b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$6,890	\$13,061	\$13,221	\$13,456
Other	\$46,772	\$88,663	\$89,750	\$91,343
<b>TOTAL Funding of Exp.</b>	<b>\$53,662</b>	<b>\$101,724</b>	<b>\$102,971</b>	<b>\$104,799</b>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$6,890)	(\$13,061)	(\$13,221)	(\$13,456)
Other	(\$46,772)	(\$88,663)	(\$89,750)	(\$91,343)

**Technical Notes:**

**Department of Administration**

1. Depending on the software program used, issues may arise regarding disclosure of confidential information, i.e., passwords, personally identifiable information, or proprietary information. For example, if screen shots are used, agency personnel may have access to confidential information inadvertently contained within the screenshot.

SPONSOR SIGNATURE

2/19

Sponsor's Initials

Date

KA

Budget Director's Initials

2/17/21

Date