

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2169-01  
Bill No.: HB 881  
Subject: Labor and Industrial Relations Department; Labor and Management  
Type: Original  
Date: April 6, 2005

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
General Revenue	\$122,984	\$151,325	\$155,051
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$122,984</b>	<b>\$151,325</b>	<b>\$155,051</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Office of the Attorney General** assume that any potential costs arising from this proposal could be absorbed with existing resources.

Officials from the **Office of State Courts Administrator** and the **Office of Administration, Division of Personnel**, assume this proposal would have no fiscal impact on their organizations.

Officials from the **Department of Labor and Industrial Relations (DOLIR)** assume this proposal would result in the elimination of two positions; the chair of the State Board of Mediation and the secretary to the chair. The proposal would make the chair of the Labor and Industrial Relations Commission the chair of the State Board of Mediation. DOLIR calculated savings of \$123,949 for FY 2006, and \$148,739 for FY 2007 and FY 2008.

**Oversight** notes that the FY 2006 DOLIR budget lists a total of \$103,449 for salaries for the State Board of Mediation and \$45,290 for fringe benefits. Oversight has shown these numbers, adjusted for inflation, as the savings resulting from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<b>GENERAL REVENUE FUND</b>			
<u>Savings - DOLIR</u>			
Personal Service (2 FTE)	\$86,208	\$106,035	\$108,686
Fringe Benefits	<u>\$36,776</u>	<u>\$45,290</u>	<u>\$46,365</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>\$122,984</u></b>	<b><u>\$151,325</u></b>	<b><u>\$155,051</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<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

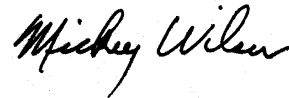
This proposal would eliminate the State Board of Mediation as a separate entity under the Department of Labor and Industrial Relations. The chair of the Labor and Industrial Relations Commission would be a member of the State Board of Mediation and would assume the duties of and serve as the chair of the State Board of Mediation.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Office of the Attorney General  
Office of State Courts Administrator  
Office of Administration  
    Division of Personnel  
Department of Labor and Industrial Relations



Mickey Wilson, CPA  
Director  
April 6, 2005