

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0520-01
Bill No.: HB 131
Subject: Labor and Management; Employees - Employers
Type: Original
Date: January 6, 2017

Bill Summary: This proposal prohibits an employer from requiring a person to become a member of a labor organization as a condition or continuation of employment.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

In response to a similar proposal (HB 91) from this session, officials at the **Office of Administration - General Services** *assumed that neither any state agency nor any state employee would violate the proposal. Therefore, it is assumed that no successful claims will be made against the Legal Expense Fund and the proposal would thus have no fiscal impact upon the Office of Administration—General Services.* However, should that assumption prove incorrect, significant costs could be incurred by the Legal Expense Fund.

§290.590 – This proposed legislation would invalidate any requirement that employees join or refrain from joining a labor organization as a condition of employment and would prohibit any required payment of dues, assessments or similar fees to a labor organization or equivalent payments to third parties. Any person who is injured as a result of any violation or threatened violation of this law shall be entitled to injunctive relief against any and all violators or persons threatening violations and may recover any and all damages including costs and reasonable attorney fees.

The state Self-assumes its own liability under the state Legal Expense Fund, Section 105.711 RSMo. It is a self-funding mechanism whereby funds are made available for the payment of any claim or judgment rendered against the state in regard to the waivers of sovereign immunity or against employees and specified and individuals. Investigation, defense, negotiation or settlement of such claims is provided by the Office of the Attorney General. Payment is made by the Commissioner of Administration with the approval of the Attorney General.

If a claim were successfully brought against a state agency or a state employee alleging a violation of this proposal, the Legal Expense Fund could be required to pay such claim or claims.

Officials at the **Office of Administration - Personnel** assume this proposal would have no impact on their organization.

Officials at the **Department of Corrections, Department of Health and Senior Services, and Department of Mental Health** each defer to Office of Administration - Personnel for fiscal impact.

In response to similar proposal (HB 91) from this session, officials at the **Attorney General's Office** assumed that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Office of Administration - Administrative Hearing Commission, Office of Administration - Budget and Planning, Department of Agriculture, State Auditor's Office, Department of Conservation, Department of Elementary and Secondary Education, Missouri Ethics Commission, Department of Public Safety - Gaming Commission,**

ASSUMPTION (continued)

Governor's Office, Missouri House of Representatives, Department of Higher Education, Department of Insurance, Financial Institutions and Professional Registration, Joint Committee on Public Employee Retirement, Joint Committee on Administrative Rules, Lieutenant Governor's Office, Department of Labor and Industrial Relations, Lottery Commission, Missouri Consolidated Health Care Plan, Missouri State Employees' Retirement System, State Highway Employees Retirement System, Department of Natural Resources, State Public Defender's Office, Office of Prosecution Services, Department of Revenue, Missouri Senate, Department of Social Services, Office of State Courts Administrator, Office of Secretary of State, Missouri Tax Commission, State Treasurer's Office, Department of Transportation, Department of Public Safety - Alcohol and Tobacco, Department of Public Safety - Capitol Police, Department of Public Safety - Fire Safety Division, Department of Public Safety - Highway Patrol, Department of Public Safety - State Emergency Management Agency, and Department of Public Safety - Missouri Veterans Commission each assume this proposal will not have a fiscal impact on their respective organizations.

Officials at the **City of Columbia** and **City of Kansas City** each assume this proposal will not have a fiscal impact on their respective organizations.

Officials at the **Metropolitan Community College, Missouri State University, Missouri Western State University, Northwest Missouri State University, State Technical College of Missouri, Truman State University, and University of Missouri** each assume this proposal will not have a fiscal impact on their respective organizations.

Officials at the **Chillicothe R-II, Concordia R-II, Kansas City, Kirksville, Parkway, Pettis County R-XII, West Plains R-VII, and Wright City R-II** each assume this proposal will not have a fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

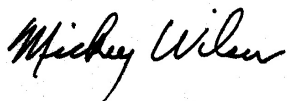
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration - General Services
Office of Administration - Personnel
Department of Corrections
Department of Health and Senior Services
Department of Mental Health
Office of Administration - Administrative Hearing Commission
Office of Administration - Budget and Planning
Department of Agriculture
State Auditor's Office
Department of Conservation
Department of Elementary and Secondary Education
Missouri Ethics Commission
Department of Public Safety - Gaming Commission
Governor's Office
Missouri House of Representatives
Department of Higher Education
Department of Insurance
Financial Institutions and Professional Registration
Joint Committee on Public Employee Retirement
Joint Committee on Administrative Rules
Lieutenant Governor's Office
Department of Labor and Industrial Relations
Lottery Commission
Missouri Consolidated Health Care Plan
Missouri State Employees' Retirement System
State Highway Employees Retirement System
Department of Natural Resources
State Public Defender's Office
Office of Prosecution Services

SOURCES OF INFORMATION (continued)

Department of Revenue
Missouri Senate
Department of Social Services
Office of State Courts Administrator
Office of Secretary of State
Missouri Tax Commission
State Treasurer's Office
Department of Transportation
Department of Public Safety - Alcohol and Tobacco
Department of Public Safety - Capitol Police
Department of Public Safety - Fire Safety Division
Department of Public Safety - Highway Patrol
Department of Public Safety - State Emergency Management Agency
Department of Public Safety - Missouri Veterans Commission
City of Columbia
City of Kansas City
Metropolitan Community College
Missouri State University
Missouri Western State University
Northwest Missouri State University
State Technical College of Missouri
Truman State University
University of Missouri
School Districts of:
 Chillicothe R-II
 Concordia R-II
 Kansas City
 Kirksville
 Parkway
 Pettis County R-XII
 West Plains R-VII
 Wright City R-II



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