

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1342-01  
Bill No.: HB 637  
Subject: Labor and Management; State Employees  
Type: Original  
Date: February 23, 2017

---

Bill Summary: This proposal allows public employees to bargain with a public employer independently of a labor organization.

**FISCAL SUMMARY**

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

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

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

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Office of Administration (OA)** assume this proposal would not have a fiscal impact to their organization based on the following information:

OA is responsible for maintaining the State's labor contracts, as well as assisting agencies with union contract negotiations, union-related activities, and other union-related inquiries. This includes ensuring agencies are complying with Chapter 105.510 RSMo. Since the language in this legislation would provide a new option to employees within the State of Missouri in regard to bargaining independently with the employer, rules may need to be promulgated to address the changes. Additionally, new procedures would need to be developed in regard to individual bargaining; however costs associated with this could be absorbed with current resources.

Also, OA stated as a new concept, it is somewhat unclear how the how independent bargaining will work out operationally. The scope of work that may be required of OA staff, and staff from other agencies, to facilitate independent bargaining is also unclear.

Officials at the **Department of Corrections**, the **Department of Health and Senior Services**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Mental Health**, and the **Department of Social Services** each deferred to Office of Administration for a fiscal impact.

Officials at the **Office of Administration - Administrative Hearing Commission**, the **Office of Administration - Budget and Planning**, the **Department of Agriculture**, the **State Auditor's Office**, the **Department of Conservation**, the **Department of Economic Development**, the **Missouri Ethics Commission**, the **Department of Elementary and Secondary Education**, the **Department of Public Safety - Gaming Commission**, the **Governor's Office**, the **Department of Higher Education**, the **Missouri House of Representatives**, the **Joint Committee on Administrative Rules**, the **Lieutenant Governor's Office**, the **Department of Labor and Industrial Relations**, the **Missouri Lottery Commission**, the **Missouri Consolidated Health Care Plan**, the **Missouri State Employees' Retirement System**, the **MoDOT and Patrol Employees Retirement System**, the **Department of Natural Resources**, the **Office of Prosecution Services**, the **State Public Defender's Office**, the **Department of Revenue**, the **Department of Transportation**, the **Missouri Tax Commission**, the **State Treasurer's Office**, the **Office of State Courts Administrator**, the **Office of Secretary of State**, the **Department of Public Safety - Alcohol and Tobacco**, the **Department of Public Safety - Capitol Police**, the **Department of Public Safety - Fire Safety Division**, the **Department of Public Safety - Highway Patrol**, the **Department of Public Safety - State Emergency Management Agency**,

ASSUMPTION (continued)

and the **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 Kansas City** assume this proposal would not have a fiscal impact on their organization.

Officials at the counties of **Callaway** and **St. Louis** each assume this proposal will not have a fiscal impact on their respective organizations.

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

Officials at the school districts of **Everton R-III**, **Forsyth R-III**, **Kansas City**, **Kirksville R-III**, and **West Plains R-VII** each assume this proposal will not have a fiscal impact on their respective organizations.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Columbia, Dardenne Prairie, Des Peres, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Pineville, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

Officials at the following counties: Andrew, Atchison, Audrain, Barry, Bollinger, Boone, Buchanan, Camden, Cape Girardeau, Carroll, Cass, Christian, Clay, Cole, Cooper, DeKalb, Dent, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Maries, Marion, McDonald, Miller, Mississippi, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, Shelby, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

Officials at the following colleges: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Lincoln University, Metropolitan Community College, Moberly Area Community College, Missouri Southern State University, Southeast Missouri State University, State Fair Community College, St. Charles Community College, St. Louis Community College,

ASSUMPTION (continued)

Three Rivers Community College, Truman State University, and University of Central Missouri did not respond to **Oversight's** request for fiscal impact.

Officials at the following school districts: Arcadia Valley R-2, Aurora R-8, Avilla R-13, Bakersfield, Belton, Benton County R-2, Bismark R-5, Bloomfield R-14, Blue Springs, Bolivar R-I, Bowling Green R-1, Branson, Brentwood, Bronaugh R-7, Campbell R-2, Carrollton R-7, Caruthersville, Cassville R-4, Central R-III, Chilhowee R-4, Chillicothe R-II, Clarkton C-4, Cole R-I, Columbia, Concordia R-2, Crawford County R-1, Crocker R-II, Delta C-7, East Carter R-2, East Newton R-6, Eldon R-I, Fair Grove, Fair Play, Fayette R-3, Fox C-6, Fredericktown R-I, Fulton, Grain Valley, Hancock Place, Hannibal, Harrisonburg R-8, Harrisonville, Hillsboro R-3, Hollister R-5, Humansville R-4, Hurley R-1, Independence, Jefferson City, Kearney R-1, Kennett #39, King City R-1, Kingston 42, Kirbyville R-VI, Laclede County R-1, Laredo R-7, Lee Summit, Leeton R-10, Lewis County C-1, Lindbergh, Lonedell R-14, Macon County R-1, Macon County R-4, Malta Bend, Mehville, Mexico, Middle Grove C-1, Midway R-1, Milan C-2, Moberly, Monroe City R-I, Morgan County R-2, New Haven, Nixa, North St. Francois Co. R-1, Northeast Nodaway R-5, Odessa R-VII, Oregon-Howell R-III, Orrick R-11, Osage County R-II, Osborn R-O, Parkway, Pattonville, Pettis County R-12, Pierce City, Plato R-5, Princeton R-5, Raymore-Peculiar R-III, Raytown, Reeds Springs R-IV, Renick R-5, Richland R-1, Riverview Gardens, Salisbury R-4, Sarcoxie R-2, Scotland County R-I, Sedalia, Seymour R-2, Shelby County R-4, Shell Knob #78, Sikeston, Silex, Slater, Smithville R-2, Special School District of St. Louis County, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, St. Elizabeth R-4, Sullivan, Tipton R-6, Valley R-6, Verona R-7, Warren County R-3, Warrensburg R-6, Webster Groves, Westview C-6 and the Wright City R-2 School District did not respond to **Oversight's** request for fiscal impact.

<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

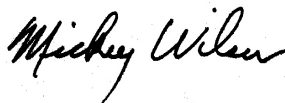
The proposed legislation appears to have no direct fiscal impact.

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

Office of Prosecution Services  
State Public Defender's Office  
Department of Revenue  
Department of Transportation  
Missouri Tax Commission  
State Treasurer's Office  
Office of State Courts Administrator  
Office of Secretary of State  
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 Kansas City  
Callaway County  
St. Louis County  
Missouri State University  
Northwest Missouri State University  
Missouri Western State University  
State Technical College of Missouri  
University of Missouri  
School Districts of:  
Everton R-III  
Forsyth R-III  
Kansas City  
Kirksville R-III  
West Plains



Mickey Wilson, CPA  
Director  
February 23, 2017

Ross Strobe  
Assistant Director  
February 23, 2017