

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5373-01
Bill No.: HB 2476
Subject: Office of Administration; State Employees; Retirement Systems and Benefits -
General
Type: Original
Date: March 6, 2020

Bill Summary: This proposal adds all public employee retirement systems and quasi-governmental entity employee salaries to the government accountability portal.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
General Revenue	(\$14,566)	(\$12,027)	(\$12,327)
Total Estimated Net Effect on General Revenue	(\$14,566)	(\$12,027)	(\$12,327)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
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 2021	FY 2022	FY 2023
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Information Technology (ITSD)** assume incentive pay would be displayed as an addition to the salary total in the Missouri Accountability Portal. Current state employees only display a column for salary. Adding another column would require additional development hours. All files will be loaded in the same manner and format as the current state employee file.

The consultant rate of \$95 per hour is an estimated rate based on current contract(s) pricing. It is assumed that any new IT project/system will be bid out, as all ITSD resources are at full capacity. Project Management hours is an estimated rate of 8% based on current/projected averages. A 20% maintenance rate for on-going support of systems/system changes is based on industry standards and the standard rate usually charged by IT service providers. Plus, a 1.025 inflation factor is applied to future years.

ITSD assumes this will result in additional costs of \$14,566 in FY 2021, \$12,027 in FY 2022 and \$12,327 in FY 2023.

Officials from **Joint Committee on Public Employee Retirement (JCPER)** assume this proposal has no fiscal impact to the JCPER. The JCPER's review of this proposal indicates it will not affect retirement plan benefits as defined in section 105.660.

Officials from the **Missouri State Employees' Retirement System (MOSERS)**, the **Missouri Department of Transportation & Highway Patrol Employees' Retirement System (MPERS)**, the **Local Government Employees Retirement System (LAGERS)**, the **Kansas City Public Schools Retirement System (KCPSRS)**, and the **Sheriffs' Retirement System** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight will show the costs to modify the Missouri Accountability Portal as estimated by OA-ITSD.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
GENERAL REVENUE			
<u>Cost - OA-ITSD - modifications to the Missouri Accountability Portal</u>	<u>(\$14,566)</u>	<u>(\$12,027)</u>	<u>(\$12,327)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$14,566)</u>	<u>(\$12,027)</u>	<u>(\$12,327)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
	<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

This bill requires all public employee retirement systems and quasi-governmental entities to report such system's or entity's employees' salaries and any incentive pay to the Missouri government accountability portal in the same manner as all state departments and agencies report.

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

Joint Committee on Public Employee Retirement
 Missouri State Employees' Retirement System
 Missouri Department of Transportation & Highway Patrol Employees' Retirement System
 Local Government Employees Retirement System

L.R. No. 5373-01
Bill No. HB 2476
Page 5 of 5
March 6, 2020

SOURCES OF INFORMATION (continued)

Kansas City Public School Retirement System
Sheriffs' Retirement System



Julie Morff
Director
March 6, 2020



Ross Strobe
Assistant Director
March 6, 2020