

Individual State Agency Fiscal Note

Bill Number: 2662 E S HB	Title: Collective bargaining	Agency: 300-Dept of Social and Health Services
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2002	FY 2003	2001-03	2003-05	2005-07
General Fund-Federal 001-2		200,000	200,000	118,000	118,000
General Fund-Non-Appropriated 001-6		446,000	446,000		
Total \$		646,000	646,000	118,000	118,000

Estimated Expenditures from:

	FY 2002	FY 2003	2001-03	2003-05	2005-07
FTE Staff Years	0.0	1.8	0.9	2.8	2.8
Fund					
General Fund-State 001-1	0	446,000	446,000	262,000	262,000
General Fund-Federal 001-2	0	200,000	200,000	118,000	118,000
Total \$	0	646,000	646,000	380,000	380,000

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

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Agency Approval: Dave Daniels	Phone: 360-902-8174	Date: 02/27/2002
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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This bill requires the state to deduct dues and other fees on behalf of Individual Providers. After negotiation and agreement, the exclusive bargaining representative will reimburse the state the initial costs incurred in making deductions from individual provider payments. On going costs resulting from individual provider deductions will also be negotiated and agreed upon in advance, and reimbursed by the exclusive bargaining representative.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Federal is assumed at 31 percent.

Section 1(2)(a) requires one time costs incurred by the state for deducting dues for individual providers be reimbursed by the exclusive bargaining representative.

Section 1(2)(b) requires on-going costs incurred by the state for deducting dues for individual providers be reimbursed by the exclusive bargaining representative.

Until an agreement regarding the cost of making the deduction of union dues is reached, the department will be unable to determine how much revenue will be received. However, for the purpose of this fiscal note, the department is assuming the one time, first year General Fund State cost of \$446,000 will be reimbursed.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Aging and Adult Services Administrations (AASA) and the Division of Developmental Disabilities (DDD) anticipate that service workers would have some additional paperwork related to this bill, but it is not assumed to have a significant impact.

It is assumed that it will take at least 1 year for the Union, AASA and DDD to clarify policies and system expectations for dues collection, plan, design, and implement addtions to the Social Services Payment System (SSPS) that incorporate the union requirements.

These costs assume expectations will be placed upon SSPS to meet some of the following issues:

- Identification of union eligibility criteria such as time worked.
- Authorizations issuance and maintenance by the payment system.
- Development of new system reports for accountability and tracking of union related information and payments.
- Ongoing requirement for system updates to reflect changing union contract requirements.

In addition to in-house staff, the full-time involvement of three software developers for a full year would be necessary to implement this change. The cost of these contracted software developers is the \$494,000 in purchased services.

All one time costs are in fiscal year 2003 and consist of \$26,000 for equipment, \$494,000 for three software developers, \$66,000 in salaries and benefits for a project manager at .5 FTE, a WMS program manager at 320 hours or .15 FTE, and a WMS program manager working 396 hours or .19 FTE.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2002	FY 2003	2001-03	2003-05	2005-07
FTE Staff Years		1.80	0.9	2.8	2.8
A-Salaries and Wages		87,000	87,000	264,000	264,000
B-Employee Benefits		20,000	20,000	60,000	60,000
C-Personal Service Contracts					
E-Goods and Services		16,000	16,000	46,000	46,000
G-Travel					
J-Capital Outlays		26,000	26,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		3,000	3,000	10,000	10,000
9-ER- Purchased Services		494,000	494,000		
Total:	\$0	\$646,000	\$646,000	\$380,000	\$380,000

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2002	FY 2003	2001-03	2003-05	2005-07
CSS2 Support Staff	31,740		1.0	0.5	1.5	1.5
IT Project Manager	71,484		0.5	0.3		
ITAS 6 Programmer	69,756				1.0	1.0
WMS 2 Program Manager	57,240				0.3	0.3
WMS 2 Program Mgr @ 320hrs	57,240		0.2	0.1		
WMS 2 Program Mgr @ 396hrs	57,240		0.2	0.1		
Total FTE's			1.8	1.0	2.8	2.8

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.