

FISCAL NOTE
Requested by Legislative Council
12/21/2018

Revised
 Bill/Resolution No.: HB 1057

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$62,200,000	\$81,400,000	\$67,200,000	\$88,000,000
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides legislative intent that state employee salary increases for the 2019-21 biennium be \$300 per month per employee for the first year and an average of 1% for the second year.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The amounts shown in 1A total \$143.6 million for the 2019-21 biennium, which is the total cost of the proposed increase based on all positions funded in the executive budget recommendation. The total includes all state agencies and institutions of higher education. The estimated cost of \$155.2 million for the 2021-23 biennium is the cost to continue the proposed salary increases for a full biennium, assuming no other changes in authorized FTE.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The proposed salary increases will increase expenditures by \$143.6 million for the 2019-21 biennium for all state agencies and institutions of higher education.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The \$143.6 million required to fund the proposed increases is \$31.5 million more than the amount included in the 2019-21 executive budget recommendation, which proposes salary increases averaging 4% the first year and 2% the second year, distributed on the basis of performance.

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