

Office

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

Senate Bill No. 219
(list bill or resolution and number, if available, or subject
Amentment to: _____
(list bill or resolution and number)

REQUESTED BY: IRC DATE OF RECEIPT January 27 1967

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed attach a supplementary sheet. Please type.

The proponents for Senate Bill No. 219 want this Fiscal Note to be limited to a request for \$40,000 to \$50,000. We do not believe that we can make an accurate estimate in a specific dollar amount for the cost of the proposed program. There are too many variables involved on which estimates can not be made.

This bill is most concerned with the initial process of classifying employees to qualify them for Merit System coverage on a gradual basis until all employees are classified for coverage by January 1, 1971. During that time, the 1969 Legislature will meet. Is it contemplated that another appropriation would be made in 1969 to continue the classification process until January 1, 1971 and to provide the cost for maintenance of the Merit System for all newly covered employees? The maintenance cost will vary with the speed of the classification work as time goes on.

(Continued)

Date of preparation: January 30, 1967

Signed N. Dak. Merit System Council
By J. O. McLaughlin
Director

RECEIVED

JAN 27 1967

DIRECTOR
MERIT SYSTEM

FISCAL NOTE (Continued)

As a guideline for the cost of civil service or merit system operations, national authorities recommend that 1/2 of 1% of expenditures for personal services be budgeted for civil service agencies. In our own experience, the ratio (%) of Merit System expenditures to total personal service expenditures for all agencies under the Merit System for fiscal 1966 was .009%. The actual cost per employee for 1966 was \$40.68. From figures published by the Public Personnel Association, the average cost per year per employee for all states having a complete civil service is about \$22.

The cost of having a professional firm of consultants on personnel administration do a classification and salary study to set up a civil service would be about \$12 per employee.

We would need to adjust the expansion of our operation for the proposed program on the basis of the funds made available, including the addition of staff, the cost of relocating our office to larger quarters, the purchase of additional desks, files, and other equipment.