

FISCAL NOTE
Requested by Legislative Council
01/25/2021

Bill/Resolution No.: SB 2300

- 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.*

	2019-2021 Biennium		2021-2023 Biennium		2023-2025 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

	2019-2021 Biennium	2021-2023 Biennium	2023-2025 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 requires that temporary or contract employees employed by a state agency for 24 consecutive months be provided salary and benefits equivalent to that of full-time employees.

- 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.*

It is not possible to determine the fiscal impact of this bill. For individuals employed full-time as a temporary or contract employee for at least 24 consecutive months, this bill would require the following:

- The employee is provided a salary equivalent to that of a full-time employee in a comparable position. It is not possible to determine if temporary and contract employees are paid salaries that are comparable to those of regular full-time employees without doing a comprehensive analysis of each position, along with the duties and compensation amounts for each position. The term "full-time basis" is not defined in this bill and it is not clear if the term is intended to mean 40 hours per week, or some lower threshold.
- The employee is provided benefits equivalent to that of a full-time employee in a comparable position. If an employee is anticipated to work at least 30 hours per week, state agencies are already required to offer health coverage pursuant to the Affordable Care Act. The cost of this individual policy is \$686.70 per month, with the employee paying up to \$98.88 and the state paying \$587.82. The cost of the current state-paid premium for regular employee participation in the PERS group health insurance plan is \$1,426.74 per month. This differential of \$838.92 would be an added state cost for each qualifying employee.
- The employee is "entitled" to participate in the PERS retirement system and receive credit for service for the time employed as a temporary or contract employee. Temporary employees can already voluntarily participate in the PERS retirement plan by paying the entire employer and employee contribution amount. It is not clear if the intent of the bill is to allow the individual to contribute to the fund the actuarially required amount for the years of service, require the state to make the contribution, or award credit for the service without the corresponding payment to the PERS fund.

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.*
- 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.*

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