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FISCAL NOTE (Form 1)
(Office of Fiscal Analysis)
Analyst: mw 5/4/92
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BILL NUMBER: HB 5571
FILE NUMBER:
AMENDMENTS: House "A"

TITLE: "AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING THE CREATION OF A NEW PERSONNEL MODEL"

FAVORABLY REPORTED BY Program Review and Investigations, Labor and Public Employees, Appropriations, Government Administration and Elections

EFFECTIVE DATE: Upon Passage

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FISCAL IMPACT STATEMENT - BILL NUMBER HB 5571

STATE IMPACT	Minimal Cost, Can be Absorbed, Cost and Potential Savings (Future Years), see explanation below
MUNICIPAL IMPACT	None
STATE AGENCY(S)	Department of Administrative Services, Office of Policy and Management, Various State Agencies

EXPLANATION OF ESTIMATES:

STATE IMPACT: The passage of this bill as amended would result in minimal, absorbable costs to the State in FY 1992-93 and would result in potential savings and cost in future years. The bill as amended makes comprehensive changes to the State's personnel system primarily based on recommendations of the Legislative Program Review and Investigations Committee. In general, the changes expand the flexibility of the Commissioner of Administrative Services (DAS), in making position appointments, simplify and streamline the testing and appointment process, require planning and coordination among State agencies, DAS and the Office of Policy and Management (OPM), and require the planning and implementation of a comprehensive automated personnel system. The sections of the bill as amended that have the most significant fiscal impact are described below.

Section 1 requires the Commissioner of DAS to develop a Human Resources Strategic Plan which defines the roles of DAS, OPM and State agencies in the personnel process and to describe the personnel needs for at least the next 5 years. The plan is to specifically address the issues of retraining, additional hiring, recruitment and image enhancement for State employees. No time frame is specified for completion. This would result in minimal additional costs that will be absorbed within existing resources.

Section 2 revives and expands the Committee on Upward Mobility. This Committee has not met in 10 years. The 14 members would meet at least quarterly and would be entitled to actual and necessary expenses. Costs are anticipated to be minimal and absorbable.

Section 5 requires the Commissioner of DAS to submit a plan for developing and achieving a comprehensive automated personnel system. The plan is to be submitted to the General Assembly by July 1, 1993. Costs associated with this planning requirement are minimal and can be absorbed within existing resources. Additional resources required to implement this automated personnel system could not be provided until FY 1994-95, unless the plan is submitted on or around February 1, 1993 and can be incorporated into the FY 1993-94 budget cycle. The additional costs and implementation time table cannot be determined at this time. Savings and efficiencies resulting from the new personnel system can only begin after implementation of the computer system. No time frame is specified for completion.

House Amendment "A" substantially rewrites the original bill and eliminated the significant cost for FY 1992-93. The original bill would have required the Commissioner of DAS to develop and implement the automated personnel management system by July 1, 1993. House "A" instead requires the submittal of a plan for the development of this system. There is no specified time frame for implementation. It also deletes a provision in the original bill that would have allowed the freezing of compensation for State jobs found to be overcompensated by the Objective Job Evaluation program. This eliminated indeterminate savings arising from this ability to "red circle" positions.

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