

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2015 REGULAR SESSION**

**MEASURE**

2015 BR NUMBER 1228

HOUSE BILL NUMBER 262/HCS1-HFA1

RESOLUTION NUMBER \_\_\_\_\_

AMENDMENT NUMBER \_\_\_\_\_

**SUBJECT/TITLE** An ACT relating to the staff of the legislative branch of state government.

**SPONSOR** Representative Kay

**NOTE SUMMARY**

FISCAL ANALYSIS:  IMPACT     NO IMPACT     INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT:  STATE     LOCAL     FEDERAL

BUDGET UNIT(S) IMPACT: Legislative Research Commission

FUND(S) IMPACT:  GENERAL     ROAD     FEDERAL     RESTRICTED AGENCY \_\_\_\_\_     OTHER

**FISCAL SUMMARY**

<b>FISCAL ESTIMATES</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>			
<b>EXPENDITURES</b>		INDETERMINABLE	INDETERMINABLE
<b>NET EFFECT</b>		INDETERMINABLE	INDETERMINABLE

( ) indicates a decrease/negative

**MEASURE'S PURPOSE:** HFA 1 to HB 262/HCS1 requires the Legislative Research Commission (LRC) to establish a job classification and compensation system for its nonpartisan employees by August 1, 2015.

**PROVISIONS/MECHANICS:** Delete the original provisions of HB 262/HCS 1 and replace with the following: require the director of LRC, with the assistance of a human resource consultant, to establish a job classification and compensation system by August 1, 2015, and to allocate nonpartisan employees to the proper job classification and pay grade by December 31, 2015; require personnel policies and procedures for nonpartisan employees by December 31, 2015; provide nonpartisan employees be employed, promoted, reprimanded, demoted, transferred, dismissed, and receive pay increases in accordance with established procedures; require LRC to maintain personnel records for all nonpartisan employees; require the director to establish baseline personnel policies and procedures, at a minimum but which may exceed, the

provisions of the federal Family and Medical Leave Act to partisan and nonpartisan employees; require the classification and compensation system and employment procedures be placed in the personnel manual and be published on LRC's website; require that every nonpartisan employee earn at least the minimum for their pay grade; require new employees, including retirees, to receive the minimum of the pay grade unless their education and experience qualifies them for a higher salary up to the midpoint of the pay grade; require that all other nonpartisan employees in the same classification with the same education and experience receive at least the same salary as the new employee; permit the director to propose additional personnel policies and procedures; clarify that employees do not have rights under KRS Chapter 18A; require LRC to employ a deputy director for human resources with certain specific qualifications; require the director to develop and adopt a process that permits nonpartisan employees to review and comment on proposed personnel policies and procedures.

**FISCAL EXPLANATION:** The cost of hiring a consultant to assist with development of a new classification and compensation system cannot be determined at this time.

The cost of implementing a classification and compensation system cannot be determined until the compensation structure is developed and adopted. The potential costs for providing salary equity within the structure cannot be determined until the classification plan has been settled.

The cost of creating a Deputy Director for Human Resources (HR) can vary depending whether or not an internal candidate is selected and promoted. Also, to be determined will be the size of the HR office. Additional staff may be needed in this area if an employee evaluation system is to be implemented.

**DATA SOURCE(S):** LRC

**PREPARER:** Katie Comstock **NOTE NUMBER:** 43 **REVIEW:** GMR **DATE:** 2/26/2015