

BDR 23-1052 AB 337

EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 29, 2023

Agency Submitting: Department of Administration, Human Resource Management

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
CAT 01 - PERSONNEL (Expense)		\$49,064	\$67,936	\$135,872
CAT 04 - OPERATING (Expense)		\$2,131	\$2,701	\$5,402
CAT 05 - EQUIPMENT (Expense)		\$7,297		
CAT 26 - INFORMATION SERVICES (Expense)		\$11,701	\$880	\$1,760
Total	0	\$70,193	\$71,517	\$143,034

Explanation

(Use Additional Sheets of Attachments, if required)

The Division of Human Resource Management (DHRM) has reviewed AB 337 and determined that there will be a fiscal impact to the Division. This bill, as drafted, would require programming the payroll system and the addition of one FTE position to be established in budget account 1363. Additionally, a fiscal impact will be experienced by the Division in terms of payroll costs related to these payments specifically to Division staff.

The legislation would require 120 programming hours at a rate of \$90.77 per hour the existing legacy payroll system, to reinstate the ability of the system to process the payments. Specifically, these hours will be utilized to reestablish the running of the process to initiate such payments, the process of paying the qualified State of Nevada employees and performing the associated retirement calculations on the payments. DHRM would need additional staff to implement the parameters of this legislation since Central Payroll's workload will be increased due to the reinstatement of longevity payments and associated reporting.

One (1) Accounting Assistant IV position will analyze each State of Nevada employee's longevity payment and retirement contributions to make manual adjustments to the monthly NV PERS Wage and Contribution report. The PERS Official Policy 4.13 requires that the lump-sum payments must be reported for each month in which the compensation is applicable. The current payroll system cannot be modified for this reporting requirement, and it will become a manual process for Central Payroll staff to report these payments as required. The incumbent will also assume related duties that are currently being performed by Accountant Technicians, Accountants, and a Management Analyst within DHRM.

In addition to the above, like all State of Nevada agencies, the Division will be required to fund the payroll costs associated with the payments to its division staff. These costs are currently estimated at \$20,775 per year.

Name Mandee Bowsmith

Title Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Monday, March 27, 2023

The agency's response appears reasonable.

Name Amy Stephenson

Title Director