

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 14, 2007

TO: Honorable Warren Chisum, Chair, House Committee on Appropriations

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2241 by Kuempel (Relating to the work hours of and compensatory time and overtime pay for commissioned officers of the Department of Public Safety.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2241, As Introduced: an impact of \$0 through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from STATE HIGHWAY FUND 6
2008	(\$673,186)
2009	(\$673,186)
2010	(\$673,186)
2011	(\$673,186)
2012	(\$673,186)

Fiscal Analysis

The bill would amend the Government Code relating to the work hours of and compensatory time an overtime pay for commissioned officers of the Department of Public Safety (DPS).

The bill amends Government Code, Section 411 which states DPS shall schedule full-time commissioned officers in 8-hour work shifts including a 1 hour paid meal break. The bill states that a commissioned officer working in excess of 40 hours in a calendar week is entitled to overtime pay or compensatory time for each hour worked over 40 hours. The bill states commissioned officers working (work hours and paid leave combined) equal to or more than 48 hours in a calendar week would receive overtime pay at a rate of 1.5 times their hourly rate for each excess hour worked. The bill would take effect on September 1, 2007.

Methodology

DPS states they paid \$1,333,397 in overtime for the Highway Patrol division in fiscal year 2006 based on an average overtime salary of \$38.38 per hour and a total of 34,744 hours of overtime. Based on the provisions of the bill, DPS estimates they would be required to pay for 52,282 hours of overtime each year (including 41,216 hours of time from 40 hours to 48 + 11,066 hours of time exceeding 48 based on fiscal year 2006 actual amounts). DPS states applying the average overtime salary per hour of \$38.38 and 52,282 hours of projected overtime, the agency would be required to pay \$2,006,583 (\$38.38 x 52,282) in State Highway Funds each year. This analysis assumes that cost to the state would be \$673,186 (\$2,006,583 - \$1,333,397) in State Highway Funds per year based on the difference between what the agency paid in fiscal year 2006 and what they estimate to pay in the future based on the provisions of the bill.

DPS states they project a significant reduction in the current level of service based on the provisions of the bill because the work shift hours would decrease from 9 hours to 8 hours and the additional compensatory time awarded would result in more accrued time off for commissioned officers who will want to take the time off. The agency states this would create a need for additional commissioned officers to fill the time off hours and maintain the current level of service. DPS states they would require an additional 524 FTEs per year (421 commissioned officers and 103 support staff) for and estimated \$30,384,323 per year in State Highway Funds for salaries and benefits to continue the current level of service. The agency also included additional costs for travel, rent, and other operating expenses that would be required to staff additional positions. This analysis is limited to additional overtime costs only, not adjustments in staffing levels.

Technology

No significant fiscal implications to technology is anticipated.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 405 Department of Public Safety

LBB Staff: JOB, CT, GG, LG