



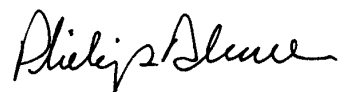
JOINT LEGISLATIVE AUDIT AND REVIEW COMMISSION
Fiscal Impact Review
2002 Session

Bill Number: HB450 as Amended
Review Requested By: Senator Stosch

JLARC Staff Fiscal Estimates

Minimal costs will accrue to State agencies as a result of HB 450, which they should be able to absorb without fiscal impact. The bill would establish additional procedures for any public body (including localities, State agencies, school boards, etc.) to use in reaching a voluntary settlement of a dispute. Both parties to the dispute would have to agree to use such procedure. State agencies are required to write a new policy concerning dispute resolution, and review their existing regulations. A number of State employees are already trained and available for use in mediation and dispute resolution.

An explanation of the JLARC staff review is included on the following pages.

Authorized for Release: 

Bill Summary:

HB 450 would establish an additional and optional procedure for any public body (including localities, State agencies, school boards, etc.) to use in reaching a voluntary settlement of a dispute. Both parties to the dispute would have to agree to use the procedure.

The bill authorizes these entities to use dispute resolution procedures such as mediation at the discretion of the respective public body. State agencies would be required to adopt a written policy on dispute resolution proceedings, including training for employees involved with the policy. Dispute resolution proceedings would apply to a broad array of possible disputes, including employment-related disputes as well as disputes involving agency regulations, programs, and operations.

Agencies would also be required to review and amend existing policies to authorize and encourage the use of dispute resolution proceedings. The bill also requires the creation of an interagency dispute resolution advisory council, to include three persons not employed by the State. This council would conduct training and issue reports on dispute resolution proceedings.

Discussion of Fiscal Implications:

The cost impact of HB 450 should be minimal. The bill requires that State agencies (but not localities or other entities) write a new policy on dispute resolution proceedings, and review existing policies for the purpose of encouraging the use of such proceedings. Some staff time would be required to develop a new policy. Many agencies routinely review and update existing policies, and the review required by this bill could presumably be included in that ongoing activity. A number of State employees have already completed training in mediation and other methods of dispute resolution.

Staffing the interagency dispute resolution advisory council created under the bill would also require some staff time, but is not expected to be significant.

To the extent that such a process is used in lieu of court proceedings, agencies and other public bodies could potentially save money.

Budget Amendment Necessary: No.

Agencies Affected: All State Agencies, localities, and other public entities.

Date Released, Prepared By: 00/00/2002;