

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 404** SLS 18RS 440
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 10, 2018 2:39 PM **Author:** HEWITT
Dept./Agy.: Statewide **Analyst:** Alan M. Boxberger
Subject: Requires policies prohibiting sexual harassment and training

EMPLOYMENT EG SEE FISC NOTE GF EX See Note Page 1 of 1
 Provides relative to sexual harassment prevention policies and training for public servants. (gov sig)

Proposed law provides for the "Louisiana Public Servants' Sexual Harassment Prevention and Training Act"; provides for legislative intent; provides for defining public policy of Louisiana; provides for definitions; provides that it shall be unlawful for any coworker to commit sexual harassment against any public servant; provides for complaint procedures; provides or designated sexual harassment prevention coordinators and parameters for investigations; provides for alternate filing of complaints where the alleged offender is the head of the public servant's agency; provides for reporting of violations of criminal law; provides for record keeping and confidentiality; provides for relocation of alleged victims, offenders, or both; provides for corrective action and remedial training; provides that the Division of Administration promulgate the written complaint form used for reporting; provides for pre-employment screening questions; provides for minimum annual training requirements; provides for additional training requirements for those appointed to receive and investigate complaints; provides that Civil Service will compile and produce training materials, and distribute at no cost; requires the Division of Administration promulgate a sexual harassment prevention handbook and transmit a copy to the head of each agency for distribution to each public servant by either electronic means or hard copy; provides for rule making; and provides for annual reporting.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

Proposed law will likely create nominal expenditure increases throughout state and local governments to ensure compliance with proposed provisions. Most public employees are already required to receive a minimum of one hour of training on this topic each year, pursuant to SCR 107 of the 2012 Regular Session of the Louisiana Legislature, which for state (and some local) employees is provided through the Comprehensive Public Training Program (CPTP) by Civil Service through a web-based module or distributed on digital medium. The Division of Administration reports first year costs at less than \$500 to establish processes for reporting and tracking as well as complaint investigation and resolution, with out-year costs estimated at approximately \$250. Other executive, legislative and judicial agencies and local governmental entities would likely realize similar nominal costs for implementation and ongoing oversight of sexual harassment training programs, to monitor compliance, and to submit the prescribed annual reports.

Proposed law will require the Division of Administration (DOA) to promulgate and distribute a sexual harassment prevention handbook consistent with R.S. 42:1282. This will result in a minimal one-time workload impact and expenditure related to researching, compiling and promulgating a handbook. The LFO assumes that such activities can be absorbed within the Division's existing staff and budget resources, and that distribution of the handbook can be effectuated through electronic or web-based services at nominal cost. The DOA reports that the provisions of proposed law will require an additional two T.O. positions to administer. The LFO cannot corroborate that the requirements of proposed law will create a workload sufficient to require additional positions. If T.O. positions were necessary, a significant expenditure increase could be expected.

Proposed law requires the Department of Civil Service to develop and make available education and training materials at no cost to assist agency heads and public servants in complying with the proposed requirements. The Department of Civil Service currently offers this service through its CPTP and recovers overall operating expenses through cost allocations to each state governmental entity. Civil Service indicates that it can absorb any additional workload with existing staff and budget resources, assuming it is allowed to recoup the physical costs of duplicating the training material to a digital medium and postage costs where necessary. Civil Service reports that it will not be able to directly provide in-person training (if requested) at no cost to governmental entities.

As the provisions of proposed law are placed into statute, the LFO anticipates acquisition of Civil Service training materials to increase significantly, which may result in a sporadic but potentially significant workload increase for Civil Service to reproduce and distribute materials. To the extent that any state or local governmental entity may not currently use the CPTP provided sexual harassment training program and chooses to not do so in the future, that entity may realize an indeterminable, but potentially significant increase in local funds expenditures to prepare its own program or acquire one through a third-party vendor.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The Department of Civil Service reports that local and non-state governmental organizations acquiring its sexual harassment training video and materials currently pay a sliding scale fee from \$100 to \$500 depending on the number of employees in the organization. Proposed law would eliminate this fee with the provision that material be provided at no cost. For informational purposes, in FY 18 Civil Service collected a total of \$3,800, has sold material to only 24 municipalities/parishes since 2014, and reports the loss of this revenue will not result in a material impact.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

John D. Carpenter
Legislative Fiscal Officer