



## Fiscal Estimate Narratives

PSC 2/25/2025

LRB Number	25-1552/1	Introduction Number	SB-0027	Estimate Type	Original
<b>Description</b> requiring state employees to perform their work at the offices of their employer					

### Assumptions Used in Arriving at Fiscal Estimate

2025 SB 27 requires all state employees, with limited exceptions, to perform their work in person at state agency offices during the employees' regularly scheduled work hours beginning July 1, 2025.

The Public Service Commission (PSC) estimates that 35 additional workspaces are needed to accommodate the space needs of all employees. The agency's current footprint is insufficient to meet these needs. Additional space will need to be acquired. Assuming additional space can be acquired in PSC's current building, the annual additional rent expense is estimated to be \$105,000. Additional expenses will be incurred to properly outfit the cubes with computer accessories and furniture. PSC estimates one-time costs of \$27,125 related to this. The recurring and one-time costs cannot be absorbed within the PSC's existing appropriations. PSC anticipates that these costs would be incurred in its utility regulation appropriation - 20.155(1)(g).

The PSC prides itself in offering remote work flexibility and most staff have a remote work agreement on file. Requiring staff to return to the office full-time will have a negative impact on the PSC's ability to recruit and retain employees. The cost associated with this is indeterminate. The agency's current remote work policy is a key benefit that is highlighted throughout the recruitment process. Eliminating this benefit will have a negative effect on candidate pools and the likelihood of successful recruitments. The PSC may need to devote additional resources to recruiting efforts, including career fair attendance, to compensate for this. There will also be significant negative impacts for current staff, which will inevitably increase turnover. This will result in additional staff time and resources being spent on subsequent recruitments and onboarding tasks and training. The overall negative impacts to the agency's workforce will directly affect the important work that the agency's staff perform, including the review of utility rate proposals and construction projects, as well as the implementation of federal grant funding, including funding related to broadband expansion.

There are other indeterminate costs associated with this bill, as outlined below.

- In person services. In the current remote work environment, the PSC has realized cost savings related to remote staff training and translation services. Returning to the workplace will require many of these services to transition to in-person. The agency will incur travel costs associated with the services.
- Supplies. Employees may use additional office supplies.
- Furniture and equipment. Employees will use furniture, such as office chairs, and printing and scanning equipment more regularly. This will require the agency to replace the items more frequently.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2025 Session

Detailed Estimate of Annual Fiscal Effect

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

<b>LRB Number</b> 25-1552/1	<b>Introduction Number</b> SB-0027	
<b>Description</b> requiring state employees to perform their work at the offices of their employer		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  \$27,125 (PRO, General Fund)		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs	105,000	
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$105,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS (General Fund)	105,000	
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$105,000	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b> PSC/ Jenna Schmidt (608) 267-7709		
<b>Authorized Signature</b> Jenna Schmidt (608) 267-7709		<b>Date</b> 2/25/2025