

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 1129 (Second Edition)

SHORT TITLE: Omnibus Labor Law Changes

SPONSOR(S): Representatives Fox and West

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>
REVENUES					
EXPENDITURES					
Labor – General Fund	(\$1,594)	(\$1,594)	(\$1,594)	(\$1,594)	(\$1,594)
POSITIONS:					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Labor					
EFFECTIVE DATE: July 1, 2003.					

BILL SUMMARY: HB 1129 revises service requirements to conform with Rule 4 of the North Carolina Civil Procedure and makes technical and other changes to the Wage and Hour Act and the Private Personnel Services Act.

Sections 1-7 authorize the Commissioner of Labor to use certified and other designated mail service delivery options as specified in 26 U.S.C 7502 (f)(2). **Section 8** repeals G.S. 95-25.3A which is no longer applicable. **Section 9** requires private personnel service license applicants to pay the costs associated with required legal advertisements and background checks, and it extends the amount of time the Commissioner has to grant a license from 30-45 days to 60-75 days. **Sections 10-12** delete language in G.S. 95-47 concerning the process for adopting administrative rules and hearing requirements in addition to abolishing the Private Personnel Service Advisory Council. These sections also authorize the Commissioner to promulgate rules to administer the act, require that any orders of the Commissioner that deny, revoke, or suspend a license or impose a fine shall be in writing, signed by the Commissioner or designee and shall state grounds upon which the decision is based.

ASSUMPTIONS AND METHODOLOGY: For the purposes of this fiscal note, only those sections with a fiscal impact will be addressed. Section 12 includes a fee of \$250, but this is not a new fee, just a recodification of an existing one.

Currently, the Department of Labor (DOL) uses certified mail for the deliveries addressed by Sections 1-7 of HB 1129. By granting the Commissioner the discretion to use other designated mail services, including UPS, DOL will save approximately \$2,000 a year, of which approximately \$1,000 would be savings to the state's General Fund (the other half is federal funds).

Requiring private personnel license applicants to pay the costs associated with required legal advertisements and background checks would save the Wage and Hour Division of DOL approximately \$444 and \$150 respectively based on figures from FY 2002-03.

SOURCES OF DATA: Department of Labor

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