

Vermont Legislative Joint Fiscal Office

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Fiscal Note

Date: March 28, 2016

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S.184 – An act relating to establishing a State Ethics Commission

As in Draft No. 8.1 for Committee discussion on 3/24/2016

Summary

The Bill would establish a State Ethics Commission to implement and enforce State ethics laws for current and former legislators, State Executive officers, and candidates for State and legislative office. The Commission would consist of five members and would be staffed by an Executive Director who would work half-time.

Fiscal impact, mid-range estimates:

SFY 2017	\$67,000
SFY 2018	\$92,000

Commission members

Commission members would be appointed no later than October 15, 2016. They would meet perhaps five times between October 15 and December 31, 2016, to hire an Executive Director who would begin work on January 1, 2017. Beginning in January 2017, the Commission members would meet perhaps quarterly to set policy and address any issues that arise.

Pursuant to 32 V.S.A. § 1010, Commission members would not be state employees but would receive a per diem when they perform official duties. In addition, they would be reimbursed for “actual and necessary expenses,” to include meals and mileage reimbursement.

Expenses for Commission members are estimated to be the per diem of \$50 per day; food reimbursement approximated by the federal reimbursement amounts for Montpelier to cover lunch each day, dinner every other day, and incidentals, equal to \$40 per day; and travel of 100 miles per day on average, reimbursed at \$0.54 per mile. The daily cost for a Commissioner would be \$144, or \$720 for all five Commissioners.

Executive Director

The Executive Director would be an exempt, half-time State employee. The estimate range for a full-time ED salary is \$73,000 to \$100,000 with a mid-range estimate of \$86,500. FICA and retirement benefits are about 18 percent of salary, and health and dental insurance add about \$15,800 based on averaging family and single coverage. The total position cost if full-time would be \$102,000 to \$134,000 with a mid-range estimate of \$117,900. The position is designated as half-time.

Office Space

Office space is expected to be approximately 1,080 square feet with an office, conference room, reception area, and services for a copier, printer, and fax machine in Montpelier.¹ The estimated cost ranges from \$17,280 annually at \$16 per square foot to \$21,600 annually at \$20 per square foot. The mid-range estimate is \$19,440 at \$18 per square foot.

Other expenses

In collaboration with the Department of Human Resources, the Commission is expected to offer training on issues related to governmental ethics to legislators, State officers, and State employees at least once per year. An outside consultant at a cost of \$1,500 in SFY 2017 and \$2,500 in SFY 2018 is included in the estimate. The cost estimate also includes two people traveling to four training sessions each year, 100 miles on average per meeting. The mileage cost would be \$54 per person per training.

High and low estimates

Using the high end of the range of estimates for average miles travelled, salary and benefits of the Executive Director, price of office space per square foot, and equipment at start-up gives an estimate of about \$75,000 for SFY 2017 and about \$103,000 for SFY 2018.

Using the low end of the range of estimates for average miles travelled, salary of the Executive Director, price of office space per square foot, and equipment at start-up gives an estimate of about \$58,000 for SFY 2017 and about \$82,000 for SFY 2018.

¹ Buildings and General Services provided the lease estimates in November 2015.

MID-RANGE Estimate	Cost per day	Times per year	Annual amount	Portion of FY17	FY17	FY18
5 Commission members						
4 meetings per year		4		0.5		
per diem	\$50					
food - fed reimb, 1/2 dinners	\$40					
travel - avg 100 mi/mtg	\$54					
Total per person	\$144		\$576			
Total for 5 members	\$720		\$2,880	\$1,440		\$2,880
Ramp-up: 5 meetings fall 2016		5		all		
per diem	\$50					
food - fed reimb	\$40					
travel - avg 100 mi/mtg	\$54					
Total per person	\$144		\$720			
Total for 5 members	\$720		\$3,600	\$3,600		\$0
					\$ 5,040	\$ 2,880
			Total			
	Full-time	Benefits	Compensation			
Executive Director, 1/2 time						
Salary mid-range	\$86,500	\$31,370	\$117,870	\$33,418	\$33,418	\$66,835
Office space				0.75		
1,080 sq ft at \$20/sq.ft	\$19,440			\$14,580	\$14,580	\$19,440
Equipment at start-up	\$12,000			\$12,000	\$12,000	-
Ethics training expenses				0.5		
Outside consultant					\$1,500	\$2,500
Travel, 4 mtgs * 100 mi	\$54	4	\$432	\$216	\$216	\$432
2 people		2				
					\$ 66,754	\$ 92,087