## Fiscal Estimate - 2001 Session

Original Updated	Corrected Supple	emental
LRB Number <b>01-4286/1</b>	Introduction Number SB-353	
Subject		
Veterans' Day as state government holiday		·
Fiscal Effect		
AppropriationsRever	ease Existing absorb within agency's b	
Permissive Mandatory Permis 2. Decrease Costs 4. Decre	5.Types of Local Governme Units Affected  Ssive Mandatory Sase Revenue Ssive Mandatory  School Districts  Districts	Cities
Fund Sources Affected  GPR FED PRO PRS	Affected Ch. 20 Appropriation SEG SEGS	ons
Agency/Prepared By	Authorized Signature	Date
DER/ Elizabeth Reinwald (608) 266-5316	Elizabeth Reinwald (608) 266-5316	12/20/01

## Fiscal Estimate Narratives DER 12/20/01

LRB Number <b>01-4286/1</b>	Introduction Number	SB-353	Estimate Type	Original	
Subject					
Veterans' Day as state governme	nt holiday				

## **Assumptions Used in Arriving at Fiscal Estimate**

SB 353 provides that November 11 is a day when the offices of the agencies of state government are closed to celebrate Veterans Day.

The bill also increases the number of paid holidays for state employees not represented by a collective bargaining agreement from 9 to 10.

There are two types of fiscal impact from a state holiday that closes state offices:

1. There is the "cost" to the state of providing leave with pay to employees for time during which no work is required to be performed. However, this would not be a direct or increased cost to the state. The payroll for one day for non-represented employees (including UW unclassified staff, but excluding elected officials) is \$4.7 million, salaries and fringe benefits, of which \$2.7 million, or 46%, consists of GPR funds.

[This figure does not include the cost of the paid holiday if it is included in new collective bargaining agreements with represented employees. If November 11 were to be included as a paid legal holiday in all collective bargaining agreements, the "cost" under this methodology for represented employees, would be \$4.07 million, salaries and fringe benefits (of which \$2.30 million is GPR) for employees represented by a union contract in addition to the \$4.7 million for non-represented employes.]

2. There is an additional cost to a paid state holiday. If an employee is required to work on a paid holiday (e.g., in a correctional or health care institution, or in law enforcement), a state agency is required to grant compensatory time off or overtime at the rate of time and one-half. In addition, the employee receives the holiday off at a later date. Currently DER does not have data on the number or pay rates of employees who are required to work on holidays; therefore, we can not at this time estimate the out-of-pocket costs to the state for employees required to work the holiday.

## **Long-Range Fiscal Implications**