

N.C. GENERAL ASSEMBLY LEGISLATIVE FISCAL NOTE

Fiscal Research
733-4910

Prepared By: Stanley Moore	Date Prepared: July 10, 1989	Bill No.: HB 1061	Edition: 1
Approved By: Tom Covington			Sponsor: Rep. Hackney
Short Title: School Employees Sick Leave Banks			

TYPE OF FISCAL IMPACT	COUNTY		FUNDS AFFECTED:																		
	State Gov't	Local Gov't	(X) General	() Highway	(X) Local																
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Description of Legislation

1. Summary of Legislation:

The bill provides that each local board of education may adopt rules establishing a sick leave bank whereby an employee, after exhausting all sick leave, may withdraw sick leave donated by coworkers. The bill further provides that any employees donating leave will be notified of the consequences relating to retirement service credits. The result of the legislation would be that each of the 140 school systems would establish a sick leave bank. Sick leave banks will result in employees remaining on the payroll at a cost to the State who under present conditions would go on a leave of absence without pay status.

- 2. Effective Date: Upon ratification
- 3. Fund or Tax Affected: General Fund, Local Funds and Receipts
- 4. Principal Department/Program Affected: Public School Systems

Cost or Revenue Impact on State

	FY	FY	FY
	89-90	90-91	
1. Non-Recurring Costs/Revenues			
2. Recurring Costs/Revenues			
General Fund	\$7,972,000	\$7,972,000	
Receipts	\$ 531,000	\$ 531,000	
	\$8,503,000	\$8,503,000	

3. Fiscal/Revenue Assumptions

Estimates of the cost varied from .2% of payroll in two school systems in Florida that have sick banks to 2% of payroll for the federal government, so a conservative estimate of .32% of payroll of all public school systems was used, assuming that all boards of education would establish a sick leave bank making all employees eligible to participate.

Cost/Revenue Impact on County or Local Government

	FY	FY	FY
	89-90	90-91	
1. Non-Recurring Costs/Revenues			
2. Recurring Costs/Revenues			
Local Funds	\$2,126,000	\$2,126,000	

3. Fiscal/Revenue Assumptions

Sources of Data for Fiscal Note

Technical Considerations/Comments

Signed Copy Located in the NCGA Principal Clerk's Offices