

Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

S.B. 334 133rd General Assembly

Fiscal Note & Local Impact Statement

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Version: As Introduced

Primary Sponsors: Sens. Craig and Brenner

Local Impact Statement Procedure Required: Yes

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Highlights

• Making Juneteenth a legal holiday could result in some increased payroll costs for the state and political subdivisions. Much of the additional costs would be for providing public safety services during the holiday. The extent of those additional costs in many cases will depend on holiday pay provisions in collective bargaining contracts.

Detailed Analysis

The bill establishes June 19, known as Juneteenth, as a legal holiday with paid leave for government employees, in which schools are dismissed, and a holiday whereby it is excluded when certain procedural deadlines are determined. Consequently, it is possible that the state and political subdivisions will incur additional wage costs for certain employees who may be required to work on June 19, especially public safety services and road crews. Many of these public employees work under collective bargaining contracts which contain holiday pay provisions.

The overall magnitude of the potential increase in payroll costs will depend on the number of state and local government employees that would receive additional wages for working during a holiday. For example, the Ohio Attorney General's Office, through the Ohio Peace Officer's Training Academy, estimates that there are approximately 33,300 peace officers statewide. As noted above, wages and holiday pay for many of these employees are specified in labor contracts. The Ohio Department of Public Safety employs approximately 1,600 highway patrol officers. Under the current collective bargaining contract with the Ohio State Troopers

Association, voluntary overtime pay is 1.5 times the normal pay rate.¹ Among all state agencies, there are currently slightly more than 50,600 state employees in Ohio, of which around 34,700 are bargaining unit employees and about 15,900 are exempt.² The Ohio Revised Code specifies that the nonbargaining unit employees are paid a rate of 1.5 times the normal pay rate for overtime work.³

While the potential increase in wage costs for any singular political subdivision or state agency would most likely not be substantial, cumulatively, these costs could be over \$100,000 annually across the state for all affected counties, municipalities, and townships. Statewide, this is the threshold LBO uses to determine whether a bill has a local fiscal impact that is more than minimal under the Local Impact Statement Law.

For school districts, the bill allows boards of education to dismiss schools under their control on Juneteenth Day. Any additional operating expenses school districts might incur would thus be permissive. In all likelihood, most school districts would have already concluded their school year by June 19, when Juneteenth Day is observed.

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¹ https://das.ohio.gov/Portals/0/DASDivisions/CollectiveBargaining/pdf/2018-2021%20OSTA%20 Contract%20(SS).pdf?ver=2019-11-05-092452-887.

² https://das.ohio.gov/Portals/0/October%20Trends%20Report.pdf.

³ http://codes.ohio.gov/orc/124.18.