

Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

S.B. 276 134th General Assembly

Fiscal Note & Local Impact Statement

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Version: As Introduced

Primary Sponsor: Sen. Blessing

Local Impact Statement Procedure Required: Yes

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Highlights

Personnel costs may increase for school districts that (1) use substitute teachers more frequently or hire additional staff to fill in for employees that take more paid time off as a result of the bill and (2) pay employees using sick leave that otherwise may have been converted to cash at a reduced rate. Any such costs may vary widely by school district depending on collectively bargained school district leave policies and staffing situations.

Detailed Analysis

Under continuing law, school district employees generally accrue at least 15 sick days a year and eligible employees may accumulate up to 120 work days of unused sick leave, unless more is approved by the school district board of education. The bill requires each school district board to allow employees to take up to 480 hours (60 days) of accrued and unused sick leave provided under existing law for a parental leave of absence if the employee becomes a parent of a newly born child, a stillborn child, or a newly adopted child (the bill does not provide additional paid time off). Under current law, school district employees are not entitled to paid leave specifically for the purpose of a parental leave of absence. However, under Ohio's Public

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¹ The federal Family and Medical Leave Act of 1993 (FMLA) entitles an eligible employee to a total of 12 workweeks of unpaid leave during any 12-month period to care for a newly born or adopted child and for other qualifying reasons.

Employees Collective Bargaining Law, the topic of leave is subject to collective bargaining.² So, some school districts currently may provide paid parental leave or allow employees to use accrued sick or other forms of leave for parental leave.

The bill may result in school district employees using more paid sick leave and, therefore, may increase substitute teacher and other personnel costs for the district to cover absences. These costs will vary from district to district depending on collectively bargained leave policies and staffing situations. A substitute teacher earns, on average, roughly \$100 per day.³ As a point of reference, a school district would incur about \$6,000 in substitute teacher costs for each teacher who uses the full 60 days of accrued and unused sick leave for parental leave and would not otherwise have been able to do so. Costs may be greater if substitute teachers are not available and contract teachers are paid for substitute periods. The supplemental amounts paid to contract teachers for substitute periods appear to hover around \$25 per period (equating to up to \$200 per day depending on the number of periods in the school day) based on a limited review of a number of school district collective bargaining agreements across a range of different district types. Nonteaching staff costs may also increase if new staff needs hired to replace an employee taking paid sick leave as parental leave.

In addition, some school district collective bargaining agreements may permit employees to convert unused sick leave to cash as an incentive to reduce absences. Unused sick leave converted to cash is commonly paid at less than 100% of an employee's pay rate. If the bill leads to increased use of sick leave and, thus, a lower amount of accumulated leave, fewer hours may be cashed out at a lower cost to the district. In other words, school district costs may increase to pay employees for used sick leave at, for example, 100% of their pay rate that otherwise may have been converted to cash at a reduced rate.

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² The bill applies to employment contracts and collective bargaining agreements entered into on or after the bill's effective date and specifies that it does not invalidate employment contracts and collective bargaining agreements that exist on that date.

³ National Substitute Teachers Alliance.