

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2007

Legislative Fiscal Note

BILL NUMBER: House Bill 15 (Second Edition)

SHORT TITLE: Some Personal Leave Time/No Penalty.

SPONSOR(S):

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>
REVENUES:					
State (General Fund)	N/A	N/A	N/A	N/A	N/A
Local Education Agencies	(\$219,290)	(\$223,676)	(\$228,150)	(\$232,713)	(\$237,367)
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Local Education Agencies (LEAs)					
EFFECTIVE DATE: July 1, 2008					

BILL SUMMARY: Under current policy¹, teachers using personal leave receive full salary less the required substitute deduction (currently \$50). This bill eliminates the \$50 deduction when a teacher uses personal leave on non-protected teacher workdays. No substitute teacher is required on non-protected teacher workdays.

ASSUMPTIONS AND METHODOLOGY: With teachers no longer paying the required substitute deduction on non-protected workdays, local education agencies (LEAs) will experience a decrease in revenues that they otherwise would have realized. This bill will have no fiscal impact on the State General Fund.

¹ G.S. 115C-302.1(d)

Current Policy

When a substitute deduction is taken from a teacher’s paycheck, the money is made available to the LEA in order for to offset the LEA’s cost of hiring a substitute.² If a personal day is taken when no substitute is required (such as a non-protected teacher workday), the substitute deduction simply increases the LEA’s availability within its Non-instructional Support Personnel allotment, its local funds, or its federal funds (depending on which source of funds pays the teacher’s salary).³

Fiscal Impact of This Bill

No data exists on the percent of personal leave days taken on non-protected workdays. This analysis assumes that teachers are just as likely to take personal leave on a non-protected workday as they are for all other days. Per G.S. 115C-84.2, there are 15 teacher workdays, 5 of which are protected. That leaves 10 non-protected teacher workdays. There are 195 days in the calendar, therefore 5.13% of all calendar days are non-protected teacher workdays. As a result, this analysis assumes that 5.13% of personal leave days are taken on non-protected workdays.

In 2006-07, teachers took 82,202 personal leave days. As explained above, it is assumed that 5.13% were taken on days when no substitute was required (4,216 days). The teacher population has grown by approximately 2% per year over the past 5 years, so the number of personal leave days taken is estimated to also grow by 2% in all subsequent years.

The table below estimates the number of personal leave days taken on days when no substitute is required, and the revenue that LEAs would lose if this bill were to pass.

Affected Leave Days and Impact on LEA Revenues

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Personal leave days taken on non-protected workdays	4,216	4,300	4,386	4,474	4,563	4,654	4,747
Foregone substitute deduction	\$210,775	\$214,991	\$219,290	\$223,676	\$228,150	\$232,713	\$237,367

SOURCES OF DATA: Department of Public Instruction

TECHNICAL CONSIDERATIONS: None

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DATE: June 29, 2008



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² Substitute teachers must be paid from the same source of funds from which the absent teacher’s salary is paid. For State-paid teachers, the \$50 is re-allotted to the LEAs (via the Non-instructional Support Personnel allotment). For locally- and federal-paid teachers, the substitute deduction is added to the availability of the local or federal monies, as appropriate.

³ Substitutes must be paid from the same source of funds from which the absent teacher’s salary is paid.