



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [Sub. H.B. 449 of the 128th G.A.](#)

Date: May 17, 2010

Status: As Passed by the House

Sponsor: Rep. Ujvagi

Local Impact Statement Procedure Required: No — No local cost in the As Introduced version; substitute version cost likely exceeds minimal in certain jurisdictions

Contents: Right of disposition of a person's remains, military leave for firefighters and emergency medical technicians, Veterans Advisory Committee

State Fiscal Highlights

STATE FUND

FY 2011 – FUTURE YEARS

Adjutant General's Department GRF and Federal Funds

Revenues

- 0 -

Expenditures

Potential annual increase of up to \$160,000 or more for military leave pay

Note: The state fiscal year is July 1 through June 30. For example, FY 2011 is July 1, 2010 – June 30, 2011.

- The Adjutant General's Department, the only state agency that employs firefighters, could incur additional payroll costs for the additional leave benefit. During FY 2009, the Department employed 35 firefighters that were also members of a military reserve unit. If the benefit for these 35 eligible employees had been in place during FY 2009, the additional payroll cost, borne by a mix of GRF and federal funds, would have been approximately \$160,000.

Local Fiscal Highlights

LOCAL GOVERNMENT

FY 2010 – FUTURE YEARS

Counties, Municipalities, and Townships

Revenues

- 0 -

Expenditures

Potential annual increase for military leave pay, likely exceeding minimal in certain jurisdictions

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- The added military leave would increase payroll costs for political subdivisions that provide firefighter or emergency medical services. In certain jurisdictions, depending on the number of eligible employees, the additional military leave benefit could cost anywhere from \$20,000 to in excess of \$100,000 annually.
- Current records indicate that approximately 963 locally employed firefighters and EMTs in Ohio would qualify for the bill's additional military leave benefit.

Detailed Fiscal Analysis

DD Form 98

By codifying that the DD Form 98 is sufficient to constitute a written declaration, the bill may decrease the likelihood that a local Ohio court would have to adjudicate a dispute over who has the authority to direct the disposition of a deceased member's remains. Such disputes have occurred recently in other states and may have resulted in the filing of a civil action. Since no such disputes appear to have occurred in Ohio, these provisions will likely have no direct fiscal effect on the state's political subdivisions. The bill's provisions regarding DD Form 98 will have no direct effect on state revenues or expenditures.

According to the Adjutant General's Department and the United States Office of the Deputy Undersecretary of Defense, all members of the military are required to complete the DD Form 98 and update that form prior to deployment. The form requires each member to designate a person authorized for direct disposition (PADD) to make decisions regarding the member's remains should the member die while on active duty. The intent of the bill is to ensure that the DD Form 98 is recognized as the instrument by which a member designates a PADD. It does not take the place of a will and is null and void upon a member's retirement or separation from the armed forces.

Military leave for firefighters and emergency medical technicians

The bill requires the state and its political subdivisions to allow publicly employed firefighters and emergency medical technicians (EMTs) who work nontraditional schedules to use up to 408 hours of compensated leave for the fulfillment of military reserve requirements. This includes yearly training and monthly weekend duty for members of the Ohio National Guard. Overall, the bill would likely result in payroll cost increases for the Adjutant General's Department and political subdivisions

that operate fire departments or emergency medical response services. According to the Adjutant General's Department, there are approximately 998 individuals in state and local government that would qualify for the increased leave benefit. Under current law, publicly employed firefighters and EMTs who work nontraditional schedules are allowed to use up to 176 hours of compensated leave for the fulfillment of military reserve requirements.

For employees that qualify, the bill allows for up to 408 hours of military leave compared to the 176 hours provided under current law, a difference of 232 hours. The 176 hours allotted for military reserve leave corresponds to National Guard requirements for employees who work a standard shift of eight hours: two weeks of annual training (80 hours) combined with weekend duty once a month during the year (96 hours). Expanding the leave to 408 hours would cover the five shifts that public employees who work a 24-hour shift miss as a result of their two-week training (120 hours) and the one shift for the 12 days of annual weekend duty (288 hours).

Political subdivisions

Municipalities and townships would incur the greatest increase in payroll costs under the bill, as they employ the majority of firefighters and emergency responders. The 26 counties that operate a county-wide emergency response system and that employ EMTs would also incur higher payroll costs. Firefighter and emergency responder salaries are paid from the respective local subdivision's general fund. Variables affecting any net increase in payroll costs would be the number of employees eligible for military leave, their wages, and the amount of leave used, as not every eligible employee would use the full amount of additional leave provided.

To illustrate the potential impact on political subdivisions, the table below displays how the bill could have affected payroll costs for fire departments in four cities during FY 2009. The calculations compare the cost differences between the current leave allowance and the increased amount permitted by the bill and assume that all eligible employees use all permitted leave time. The difference is the net new cost that these municipal fire departments would have incurred with the added military leave benefit.

Cost of Additional Firefighter Military Leave by City, FY 2009					
City	Eligible Firefighters	Hourly Wage Rate (\$)	Current Cost at 176 Hours Used (\$)	H.B. 433 Cost if 408 Hours Used (\$)	Difference (\$)
Columbus	31	15.02 – 23.00	81,949 – 125,488	189,973 – 290,904	108,024 – 165,416
Toledo	8	18.06 – 27.14	25,428 – 38,213	58,947 – 88,585	33,519 – 50,372
Dayton	8	17.45 – 23.28	24,569 – 32,778	56,956 – 75,985	32,387 – 43,207
Bowling Green	5	15.94 – 22.74	14,027 – 20,011	32,517 – 46,389	18,490 – 26,378

According to licensing information provided to LSC by the Board of Emergency Medical Services, the entity that licenses firefighters and emergency medical workers, as of the end of FY 2009 there were 25,243 licensed firefighters and 38,726 licensed EMTs in Ohio. Although most firefighters are public employees and qualify for the added benefit under the bill, it is more difficult to determine the number of EMTs who are eligible. This is because many of the licensed EMTs counted above work for private companies and do not qualify under the bill. Also, many licensed EMTs are also licensed firefighters, suggesting that the number of EMTs that qualify for the additional benefit would be far fewer than the total number of licensed EMTs noted above.

Adjutant General's Department

Currently, the Adjutant General's Department employs 95 firefighters to protect National Guard armories and compounds from fire. The state does not employ any EMTs. During FY 2009, 35 of those 95 state firefighters were active military reserve members. The pay range for state-employed firefighters is currently between \$16.09 and \$23.76 per hour. The bill would increase the number of hours of compensated leave for eligible employees by 232, thus increasing payroll costs by between \$3,733 and \$5,512 per eligible employee if all additional hours are taken. Had the bill been in effect during FY 2009, the Adjutant General's Department would have incurred up to \$157,000 in increased payroll costs if all eligible employees had taken all of the 408 hours of leave.

Veterans Advisory Committee

The bill adds a member of the Military Officers Association of America to the Veterans Advisory Committee, which advises and assists the Department of Veterans Services in its duties. The Committee meets approximately once a month to fulfill its duties. Members receive no compensation or reimbursements. There will be no fiscal impact on state or local governmental entities due to this addition.