



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. H.B. 449 of the 128th G.A.

Date: March 9, 2010

Status: As Reported by House Veterans Affairs

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, and 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 2010 is July 1, 2009 – June 30, 2010.

- The bill increases the maximum allowable paid military leave that publicly employed firefighters and emergency medical technicians (EMTs) serving in the reserves or the National Guard may take from 176 to 408 hours.
- 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. The actual cost to each local government would vary according to the number of eligible employees, their wages, and the amount of additional leave taken. 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

Overview

For the purposes of this fiscal analysis, the bill most notably:

- Permits the use of the federal "Record of Emergency Data Form" (DD Form 98) to satisfy the written declaration requirements for designating a person who is authorized to direct disposition of a person's remains;
- Establishes criteria for determining military leave pay for publicly employed firefighters and emergency medical technicians with nontraditional work schedules, and
- Adds, to the membership of the Veterans Advisory Committee, a member of the Military Officers Association of America.

DD Form 98

In researching the fiscal implications of the DD Form 98 provisions, LSC fiscal staff spoke with staff of Ohio's Adjutant General's Department as well as the United States Office of the Deputy Undersecretary of Defense. According to these sources, all members of the military are required to complete a DD Form 98. Prior to deployment, the form must be updated. One facet of the form requires the member to designate a person authorized for direct disposition (PADD). Basically, the PADD is the person who makes any decisions on what to do with the member's remains, should that person 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.

Local fiscal effects

It appears that, over the past few years, a handful of disputes have arisen across the country regarding who has the authority to direct the disposition of a deceased member's remains. Although we are not certain, such disputes may have resulted in one or more parties seeking a remedy by filing a civil action in the appropriate court. None of these disputes, however, appear to have occurred in Ohio, which suggests that these provisions will have no direct fiscal effect on any of the state's political subdivisions, in particular the local courts that would be required to adjudicate such matters. That said, 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 such a dispute in the future.

State fiscal effects

The bill's DD Form 98 provisions will have no direct effect on state revenues or expenditures.

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. Other public employees who work nontraditional shifts, such as members of the Ohio State Highway Patrol, would not qualify for the additional leave under the bill, as they work a standard 40-hour week. 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. Current records of the Adjutant General's Department indicate that there are approximately 998 individuals in state and local government that would qualify for the increased leave benefit.

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. Had the bill been in effect during that fiscal year, 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. The pay range for state-employed firefighters is currently between \$16.09 and \$23.76 per hour. Assuming that the number of eligible state employees remains steady at 35, annual Adjutant General's Department payroll expenses could increase in the range of \$131,000 (232 hours of additional leave x \$16.09 x 35 employees) to \$193,000 (232 hours of additional leave x \$23.76 x 35 employees). As previously stated, the amount spent on the additional leave would vary from year to year according to the number of eligible firefighters and their salaries. The Adjutant General's Department payroll costs are borne by a mix of GRF and federal funds.

Veterans Advisory Committee

The Veterans Advisory Committee advises and assists the Department of Veterans Services in its duties. Currently, members must include the following:

- One state representative of congressionally chartered veterans organizations;
- One representative of any other congressionally chartered state veterans organization that has at least one veterans service commissioner in Ohio;
- Three representatives of the Ohio State Association of County Veterans Service Commissioners;

- Three representatives of the State Association of County Veterans Service Officers;
- One representative of the County Commissioners Association of Ohio;
- One representative of the Advisory Committee on Women Veterans;
- One representative of a labor organization; and
- One representative of the Office of the Attorney General.

The bill adds a member of the Military Officers Association of America to the Committee. 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.

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