

**GENERAL ASSEMBLY OF NORTH CAROLINA**



**Session 2007**

**Legislative Fiscal Note**

**BILL NUMBER:** House Bill 2672 (First Edition)

**SHORT TITLE:** Some Personal Leave Time/No Penalty.

**SPONSOR(S):** Representatives Tolson, Yongue, Tarleton, and Cotham

<b>FISCAL IMPACT</b>					
	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>
<b>REVENUES:</b>					
State	N/A	N/A	N/A	N/A	N/A
Local Education Agencies	(\$328,922)	(\$335,501)	(\$342,211)	(\$349,055)	(\$356,036)
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Local Education Agencies (LEAs)					
<b>EFFECTIVE DATE:</b>					

**BILL SUMMARY:** Under current policy<sup>1</sup>, 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 an instructional day when no substitute teacher is required.

**ASSUMPTIONS AND METHODOLOGY:** With teachers no longer paying the required substitute deduction on days for which no substitute is required, 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.

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.<sup>2</sup> If a personal day is taken when no substitute is required, the substitute deduction simply increases the LEA's availability within its Non-instructional Support Personnel allotment, its local funds, or its federal funds

<sup>1</sup> G.S. 115C-302.1(d)

<sup>2</sup> 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.

(depending on which source of funds pays the teacher's salary).<sup>3</sup> However, if a personal day is taken when no substitute is required, the required substitute deduction simply increases the LEA's available funds.

Fiscal Impact of This Bill

No data exists on the percent of personal leave days taken on days when no substitute is required. This analysis assumes that teachers are just as likely to take personal leave on a day when a substitute is required as they are for days when no substitute is required. There are 195 teacher work days, 180 of which are instructional days that require a substitute. That means that there are 15 days when no substitute is required, approximately 7.69% of the total number of teacher work days. As a result, this analysis assumes that 7.69% of personal leave days are taken on days when no substitute is required.

In 2006-07, teachers took 82,202 personal leave days. As explained above, it is assumed that 7.69% were taken on days when no substitute was required (6,323 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 (no sub required)	6,323	6,449	6,578	6,710	6,844	6,981	7,121
Foregone substitute deduction	\$316,150	\$322,473	\$328,922	\$335,501	\$342,211	\$349,055	\$356,036

**SOURCES OF DATA:** Department of Public Instruction

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<sup>3</sup> Substitutes must be paid from the same source of funds from which the absent teacher's salary is paid.