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SENATE FILE
BY RUNNING

Reprinted
2031

Passed Senate, Date 3/8/90 (p. 946) Passed House, Date _____
Vote: Ayes 29 Nays 16 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to vacation leave sharing by state employees.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SENATE FILE 2031

S-5170

1 Amend Senate File 2031 as follows:
2 1. Page 2, by inserting after line 12, the
3 following:
4 "6. An employee receiving transferred vacation
5 leave pursuant to this section shall not be eligible
6 to receive disability benefits pursuant to section
7 79.20 while the employee is using the transferred
8 vacation leave.
9 Sec. ____ Section 79.20, subsection 4, Code 1989,
10 is amended to read as follows:
11 4. All permanent full-time state employees shall
12 be covered under the employees disability insurance
13 program, except board members and members of
14 commissions who are not full-time state employees, and
15 state employees who on July 1, 1974, are under another
16 disability program financed in whole or in part by the
17 state, and employees receiving transferred vacation
18 leave pursuant to section 79.26 while the employees
19 are using the transferred vacation leave. For
20 purposes of this section, members of the general
21 assembly serving on or after January 1, 1989, are
22 eligible for the plan during their tenure in office,
23 on the basis of enrollment rules established for full-
24 time state employees excluded from collective
25 bargaining as provided in chapter 20."

By COMMITTEE ON STATE GOVERNMENT
JOHN P. KIBBIE, Chairperson

S-5170 FILED FEBRUARY 21, 1990 *Adopted (p. 945)*

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1 Section 1. NEW SECTION. 79.26 VACATION LEAVE SHARING.

2 1. The head of each state agency, department, or
3 commission shall permit a permanent employee to transfer any
4 vacation leave accrued by the employee in excess of eighty
5 hours to another permanent employee of the same or another
6 agency, department, or commission, and the head of that same
7 or other agency, department, or commission shall permit the
8 other employee to receive and use such transferred vacation
9 leave, if all of the following conditions relating to the
10 employee receiving and using the transferred vacation leave
11 are met:

12 a. The employee suffers from, or has a relative or
13 household member suffering from an illness, injury,
14 impairment, or physical or mental condition which is of an
15 extraordinary or severe nature and which has caused or is
16 likely to cause the employee to go on leave without pay status
17 or to terminate employment with the agency, department, or
18 commission.

19 b. The employee has depleted or will shortly deplete the
20 employee's vacation leave, compensatory leave, and sick leave.

21 c. The employee has complied with applicable rules
22 regarding sick leave use.

23 2. An employee receiving vacation leave under this section
24 shall not receive more than two thousand eighty-eight hours of
25 transferred vacation leave per calendar year under this
26 section.

27 3. While an employee is using vacation leave transferred
28 to the employee under this section, the employee shall be
29 treated as if the employee were using the employee's own
30 vacation leave. As soon as an employee accrues forty hours of
31 vacation leave while using vacation leave transferred to the
32 employee under this section, the employee shall be required to
33 use that accrued vacation leave and all accrued sick leave
34 before continuing to use the transferred vacation leave.

35 4. Vacation leave transferred under this section shall be

1 transferred on an hour-for-hour basis without regard to any
2 difference in hourly pay between the employee transferring the
3 vacation leave and the employee receiving the vacation leave.
4 The number of hours of vacation leave transferred by an
5 employee under this section shall be deducted from that
6 employee's accrued vacation leave. The number of hours of
7 vacation leave received by an employee under this section
8 shall be added to that employee's vacation leave.

9 5. Vacation leave transferred under this section which
10 remains unused for any reason shall be returned to the
11 employee, or to the employees on a pro rata basis, who
12 transferred the vacation leave.

13 EXPLANATION

14 This bill provides that the head of each state agency,
15 department, or commission shall allow the transfer of accrued
16 vacation leave in excess of 80 hours from a permanent employee
17 to another permanent employee of the same or another state
18 agency, department, or commission, if that other employee has
19 exhausted all available leave and is likely to take a leave
20 without pay or to terminate employment due to an extraordinary
21 or severe illness, injury, impairment, or physical or mental
22 condition of the employee or of the employee's relative or
23 household member. The employee using transferred vacation
24 leave shall be treated as if the employee were using the
25 employee's own vacation leave. Vacation leave transferred
26 shall be transferred on an hour-for-hour basis without regard
27 to the hourly pay of the employees involved. Any transferred
28 vacation leave not used shall be returned to the employee
29 transferring the vacation leave.

30 The bill does not provide for any transfer of moneys
31 between state agencies concomitant to the transfer of vacation
32 leave.

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1 Section 1. NEW SECTION. 79.26 VACATION LEAVE SHARING.

2 1. The head of each state agency, department, or
3 commission shall permit a permanent employee to transfer any
4 vacation leave accrued by the employee in excess of eighty
5 hours to another permanent employee of the same or another
6 agency, department, or commission, and the head of that same
7 or other agency, department, or commission shall permit the
8 other employee to receive and use such transferred vacation
9 leave, if all of the following conditions relating to the
10 employee receiving and using the transferred vacation leave
11 are met:

12 a. The employee suffers from, or has a relative or
13 household member suffering from an illness, injury,
14 impairment, or physical or mental condition which is of an
15 extraordinary or severe nature and which has caused or is
16 likely to cause the employee to go on leave without pay status
17 or to terminate employment with the agency, department, or
18 commission.

19 b. The employee has depleted or will shortly deplete the
20 employee's vacation leave, compensatory leave, and sick leave.

21 c. The employee has complied with applicable rules
22 regarding sick leave use.

23 2. An employee receiving vacation leave under this section
24 shall not receive more than two thousand eighty-eight hours of
25 transferred vacation leave per calendar year under this
26 section.

27 3. While an employee is using vacation leave transferred
28 to the employee under this section, the employee shall be
29 treated as if the employee were using the employee's own
30 vacation leave. As soon as an employee accrues forty hours of
31 vacation leave while using vacation leave transferred to the
32 employee under this section, the employee shall be required to
33 use that accrued vacation leave and all accrued sick leave
34 before continuing to use the transferred vacation leave.

35 4. Vacation leave transferred under this section shall be

1 transferred on an hour-for-hour basis without regard to any
2 difference in hourly pay between the employee transferring the
3 vacation leave and the employee receiving the vacation leave.
4 The number of hours of vacation leave transferred by an
5 employee under this section shall be deducted from that
6 employee's accrued vacation leave. The number of hours of
7 vacation leave received by an employee under this section
8 shall be added to that employee's vacation leave.

9 5. Vacation leave transferred under this section which
10 remains unused for any reason shall be returned to the
11 employee, or to the employees on a pro rata basis, who
12 transferred the vacation leave.

13 6. An employee receiving transferred vacation leave
14 pursuant to this section shall not be eligible to receive
15 disability benefits pursuant to section 79.20 while the
16 employee is using the transferred vacation leave.

5801

17 Sec. 2. Section 79.20, subsection 4, Code 1989, is amended
18 to read as follows:

19 4. All permanent full-time state employees shall be
20 covered under the employees disability insurance program,
21 except board members and members of commissions who are not
22 full-time state employees, and state employees who on July 1,
23 1974, are under another disability program financed in whole
24 or in part by the state, and employees receiving transferred
25 vacation leave pursuant to section 79.26 while the employees
26 are using the transferred vacation leave. For purposes of
27 this section, members of the general assembly serving on or
28 after January 1, 1989, are eligible for the plan during their
29 tenure in office, on the basis of enrollment rules established
30 for full-time state employees excluded from collective
31 bargaining as provided in chapter 20.

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SENATE FILE 2031

H-5801

1 Amend Senate File 2031, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, line 3, by striking the word "shall"
4 and inserting the following: "may".

5 2. Page 1, line 24, by striking the words "two
6 thousand eighty-eight" and inserting the following:
7 "one thousand forty-four".

8 3. Page 2, by inserting after line 16, the
9 following:

10 "7. This section does not affect the status of
11 vacations and leaves of absence as mandatory subjects
12 of collective bargaining under chapter 20. This
13 section does not preclude an employee organization
14 from negotiating for a vacation leave sharing program
15 at variance from this section.

16 8. It is the intent of the general assembly that
17 the head of each state agency, department, or
18 commission permit vacation leave sharing between
19 employees of the same office or work site only."

By BLANSHAN of Greene
HANSON of Delaware
CONNORS of Polk

H-5801 FILED MARCH 21, 1990

Adopted 3/26 (p 1469)

SENATE FILE 2031

H-5897

1 Amend the amendment H-5801 to Senate File 2031, as
2 amended, passed, and reprinted by the Senate as
3 follows:

4 1. Page 1, by striking lines 16 through 19.

By JAY of Appanoose

H-5897 FILED MARCH 27, 1990

SENATE FILE 2031
FISCAL NOTE

REQ. BY SENATOR RUNNING

A Revised fiscal note for Senate File 2031 and amendment S-5170 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2031 provides for the transfer of accrued vacation leave in excess of 80 hours from a permanent employee to another permanent employee of the same or another state agency, if that other employee has exhausted all available leave and is likely to take a leave without pay or terminate employment due to an extraordinary or severe illness, injury, impairment, or physical or mental condition of the employee or of the employee's relative or household member. The employee using transferred vacation leave shall be treated as if the employee were using the employee's own vacation leave. Vacation leave transferred shall be transferred on an hour for hour basis without regard to the hourly pay of the employees involved. Any transferred vacation leave not used shall be returned to the employee transferring the vacation leave.

Assumptions:

1. The payroll data processing system would require modification at an estimated cost of \$143,347: \$90,720 for system analysis, 2,520 hours at \$36/hour; \$51,127 for programming, 1,763 hours at \$29/hour; and \$1,500 for machine costs. In subsequent years the data system would require ongoing maintenance of approximately \$14,335 a year.
2. An employee receiving transferred vacation leave shall not be eligible to receive long term disability benefits. However, the bill allows an employee the option of utilizing shared vacation leave or long term disability benefits. An employee receives approximately 60% of their salary while on LTD or receives 100% of their salary while on shared vacation leave. There could be an additional cost to the State for an employee on LTD who elects to take a shared vacation leave instead. The additional cost would be the 40% difference in salary paid between LTD and shared vacation. Please note that LTD benefits are paid from the LTD insurance fund while shared vacation leave would be paid from the employing departments' budget.

	FY 1991	FY 1992
40% Additional Salary Cost	\$ 282,331	\$ 296,270

Calculation: 332 employees currently on LTD x 10% estimate of those on LTD who elect shared vacation leave x 160 hours x \$11.14 average hourly wage x 12 months x 40% = \$ 282,331

3. There could be salary costs associated with the use of shared vacation for purposes other than a personal illness, i.e. the illness of a relative. Currently an employee who has exhausted all sick and vacation leave balances would take a leave without pay. Therefore, an additional cost

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could be incurred by the State for the shared vacation leave paid to an employee who would otherwise be on leave without pay. As of January 19, 1990 there were 2187 employees who have sick leave and vacation balances of 40 hours or less. It is assumed these employees are those most likely to receive shared vacation leave.

	FY 1991	FY 1992
Salary cost related to the use of shared vacation for other purposes	\$ 388,563	\$ 407,747

Calculation: 2187 employees x 10% estimate of those who use shared vacation for other than personal illness x \$11.14 average hourly wage x 160 hours = \$388,563

4. While the bill allows for the transfer of hours from an employee in one department to an employee in a different department, it does not provide for the transfer of money. There could be situations where the budget of the department receiving the vacation hours is adversely affected. There would be an additional problem if the receiving department was also using a temporary replacement for the absent employee.
5. There could be some subsidization of one state agency by another when vacation is transferred between agencies. The agency of the employee transferring vacation would receive the benefit of the employee's extra actual work time. No estimate of the dollar value is available.

Fiscal Effect:

The Department of Personnel estimates the fiscal impact of Senate File 2031 and amendment S-5170 would be:

	FY 1991	FY 1992
Payroll Data Processing System Modification Cost	\$143,347	\$ 0
On-going Maintenance of Payroll Data Processing System	0	14,335
	-----	-----
Known Fiscal Impact	\$143,347	\$14,335

Additional Potential Impacts:

Assumption #2: Additional Salary Cost Related to LTD - Shared Vacation Option	\$282,331	\$296,270
Assumption #3: Salary Costs Related to Use of Shared Vacation Leave for Other Than Personal Illness	\$388,563	\$407,747

Source: Department of Personnel

(LSB 7421s.3, PWA)

FILED MARCH 8, 1990

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 2031
FISCAL NOTE

REQ. BY SENATOR RUNNING

A fiscal note for Senate File 2031 as amended by S-5170 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2031 provides for the transfer of accrued vacation leave in excess of 80 hours from a permanent employee to another permanent employee of the same or another state agency, if that other employee has exhausted all available leave and is likely to take a leave without pay or terminate employment due to an extraordinary or severe illness, injury, impairment, or physical or mental condition of the employee or of the employee's relative or household member. The employee using transferred vacation leave shall be treated as if the employee were using the employee's own vacation leave. Vacation leave transferred shall be transferred on an hour for hour basis without regard to the hourly pay of the employees involved. Any transferred vacation leave not used shall be returned to the employee transferring the vacation leave.

Assumptions:

1. The payroll system would require modification to accept data from a new sub system which keeps track of vacation accounts of employees who receive vacation from other employees and to be able to return unused vacation back to the employee who gave it.
2. The payroll system's update, calculation, journal and cancellation programs would need modification.
3. There is an estimated cost of \$143,347 for payroll system data processing modifications: \$90,720 for system analysis, 2,520 hours at \$36/hour; \$51,127 for programming, 1,763 hours at \$29/hour; and \$1,500 for machine costs.
4. In subsequent years the data system would require ongoing maintenance of approximately \$14,335 a year.
5. An employee receiving transferred vacation leave shall not be eligible to receive long term disability benefits.
6. While the bill allows for the transfer of hours from an employee in one department to an employee in a different department, it does not provide for the transfer of money. There could be situations where the budget of the department receiving the vacation hours is adversely affected. There would be an additional problem if the receiving department was also using a temporary replacement for the absent employee.
7. There would be some subsidization of one state agency by another when vacation is transferred between agencies. The agency of the employee

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transferring vacation would receive the benefit of the employee's extra actual work time. No estimate of the value of this subsidization is available.

Fiscal Effect:

The Department of Personnel estimates the fiscal impact of Senate File 2031 as amended would be:

EXPENDITURES:	FY 1991	FY 1992
Modification of Payroll Data Data Processing System	\$143,347	\$ 0
On-going Maintenance of Payroll Data Processing System	0	14,335
	-----	-----
Total Fiscal Impact	\$143,347 =====	\$14,335 =====

Source: Department of Personnel

(LSB 7421s.2, PWA)

FILED MARCH 5, 1990

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 2031
FISCAL NOTE

A fiscal note for Senate File 2031 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2031 provides for the transfer of accrued vacation leave in excess of 80 hours from a permanent employee to another permanent employee of the same or another state agency, if that other employee has exhausted all available leave and is likely to take a leave without pay or terminate employment due to an extraordinary or severe illness, injury, impairment, or physical or mental condition of the employee or of the employee's relative or household member. The employee using transferred vacation leave shall be treated as if the employee were using the employee's own vacation leave. Vacation leave transferred shall be transferred on an hour for hour basis without regard to the hourly pay of the employees involved. Any transferred vacation leave not used shall be returned to the employee transferring the vacation leave.

Assumptions:

1. The payroll system would require modification to accept data from a new sub system which keeps track of vacation accounts of employees who receive vacation from other employees and to be able to return unused vacation back to the employee who gave it.
2. The payroll system's update, calculation, journal and cancellation programs would need modification.
3. There is an estimated cost of \$143,347 for payroll system data processing modifications: \$90,720 for system analysis, 2,520 hours at \$36/hour; \$51,127 for programming, 1,763 hours at \$29/hour; and \$1,500 for machine costs.
4. In subsequent years the data system would require ongoing maintenance of approximately \$14,335 a year.
5. The bill allows an employee to use shared vacation for purposes of personal illness and does not preclude the use of shared vacation along with long term disability (LTD) benefits. Currently an employee must exhaust all accrued vacation leave and sick leave before receiving LTD. The bill would create an additional cost outlay to the state because vacation leave would be paid to an employee receiving a shared vacation transfer, who otherwise would only receive LTD or be on leave without pay, while the salary for the employee making the transfer would still be realized. If an employee on LTD also uses shared vacation to the fullest extent allowed, 12 months, the approximate dollar value would be \$705,828 in FY 1991 and \$740,676 in FY 1992. (Calculation: 332 employees currently on LTD times 10% estimate of those who receive LTD and shared vacation leave times 160 hours times \$11.14 average hourly wage times 12 months.) This cost outlay would be offset by the value of the work performed by the employee who otherwise would be on vacation.
6. While the bill allows for the transfer of hours from an employee in one

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department to an employee in a different department, it does not provide for the transfer of money. There could be situations where the budget of the department receiving the vacation hours is adversely affected. There would be an additional problem if the receiving department was also using a temporary replacement for the absent employee.

7. There would be some subsidization of one state agency by another when vacation is transferred between agencies. The agency of the employee transferring vacation would receive the benefit of the employee's extra actual work time. No estimate of the value of this subsidization is available.

Fiscal Effect:

The Department of Personnel estimates the fiscal impact of Senate File 2031 to be \$849,175 in FY 1991 and \$755,011 in FY 1992. The estimated fiscal impact in FY 1991 includes \$143,347 to modify the payroll data processing system and \$705,828 additional cost outlay associated with an employee on long term disability who also utilizes shared vacation leave.

(Source: Departments of Personnel and Management)

(LSB 7421s, PWA)

FILED FEBRUARY 20, 1990

BY DENNIS PROUTY, FISCAL DIRECTOR