

# *Fiscal Note & Local Impact Statement*

124<sup>th</sup> General Assembly of Ohio

Ohio Legislative Service Commission  
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BILL: **Am. H.B. 326** DATE: **February 12, 2002**

STATUS: **As Reported by Senate State and Local Government and Veterans Affairs** SPONSOR: **Rep. Jolivet**

LOCAL IMPACT STATEMENT REQUIRED: **No — Permissive**

CONTENTS: **Grants full-time state employees up to 30 days of paid leave for organ donation and up to 7 days paid leave for bone marrow donation**

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## *State Fiscal Highlights*

| STATE FUND                                        | FY 2002                    | FY 2003                     | FUTURE YEARS                |
|---------------------------------------------------|----------------------------|-----------------------------|-----------------------------|
| <b>General Revenue Fund and other state funds</b> |                            |                             |                             |
| Revenues                                          | - 0 -                      | - 0 -                       | - 0 -                       |
| Expenditures                                      | Potential minimal increase | Potential \$39,800 increase | Potential \$39,800 increase |

Note: The state fiscal year is July 1 through June 30. For example, FY 2002 is July 1, 2001 – June 30, 2002.

- Net payroll costs would increase if an agency requires other employees to work overtime or hires temporary staff to manage the workload in the donor's absence. These costs would be in addition to the ongoing payroll costs associated with the donor's fringe benefits.
- The fiscal notes assumes there would be a maximum of six organ donors and one marrow donor among state employees annually. The estimated annual increase in state expenditures for the organ donor benefit would be \$38,304. For the bone marrow donation benefit, the increase would be \$1,490.
- The bill requires the Department of Administrative Services (DAS) to make state employees aware of this program through periodic notifications. These would probably be made on the internet or through inserts in paycheck envelopes. In either case, these expenses would be minimal.

## *Local Fiscal Highlights*

- No direct fiscal effect on political subdivisions. However, the bill encourages political subdivisions to adopt a similar program for their employees. Political subdivisions would bear new expenses only if they opted to create a similar organ donor leave policy.

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## *Detailed Fiscal Analysis*

The bill would grant full-time state employees up to 30 days per year paid leave to serve as organ donors and up to seven days per year to serve as bone marrow donors. Federal employees are already granted this benefit as a result of PL 106-56, signed into law September 23, 1999. This bill limits organ donations to livers and kidneys. Also, according to LSC research prepared for this fiscal note, seven states have enacted or are debating similar legislation. These states are: Delaware, Kansas, Maryland, Missouri, New York, Wisconsin, and Virginia.

### **Liver or Kidney Transplant Leave—Potential Increase of \$38,304 Per Year in State Expenditures**

It is unlikely that more than 6 state employees per year would take paid leave for kidney or liver donation. This estimate is based on the following data on kidney and liver transplants gleaned from the United Network for Organ Sharing (UNOS), a widely used clearinghouse for organ-sharing data, the U.S. Census Bureau, and State of Ohio payroll records:

- Given there were 534 live kidney and 179 live liver donations in 1999, or 713 total for the state;<sup>[1]</sup>

- Given the approximate 65,000 state employees represent about .8 percent of the working-age population 20 years of age and older (7,879,380 persons);

Then it could be expected that between 5-6 state employees would be likely to make either kidney or liver donations (713 donors multiplied by .008 = 5.7).

It is difficult to establish an “average” state employee wage. However, assuming:

- An average wage of \$20 per hour and including fringe benefit costs of 33 percent;
- Each employee would take the maximum leave permitted for organ donation, 240 hours;

Then the annual cost of the leave would be \$6,384 per employee. Thus, if six state employees were to take the maximum organ donation leave permissible under the bill, the cost would be \$38,304.

#### **Bone Marrow Transplant Leave—Potential Increase of \$1,490 Per Year in State Expenditures**

Estimates for the number of state employees who would use bone marrow donor leave were harder to derive. According to data compiled for its 1999 annual report, Bone Marrow Donors Worldwide, an international organization that maintains a worldwide bone marrow donor registry, there were a total of 3,019,381 persons listed as eligible to donate among a U.S. population base of 272,600,000, or about 1 percent of the country’s population.<sup>[2]</sup> Since matches between recipients and donors are extremely difficult to make, this fiscal note assumes that only one state employee annually would be eligible to take bone marrow donor leave.

- If that employee earns an hourly wage of \$20 and fringe benefits computed at 33 percent of wages, for a total state cost of \$26.60 per hour ;
- If the eligible employee takes seven days, or 56 hours of leave, the maximum leave allowed by the bill

Then the total annual cost of the bone marrow donor leave would be \$1,489.60.

#### **Department of Administrative Services (DAS)—Employee Notification Requirement Costs Minimal**

The bill requires DAS to make state employees aware of this additional leave through periodic notifications. Assuming that this could be done through paycheck envelope inserts and through postings on DAS website, there would be little cost involved with this requirement.

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<sup>[1]</sup> 1999 Annual Report of the U.S. Scientific Registry of Transplant Recipients and the Organ Procurement and Transplantation Network: Transplant Data 1990-1999. (2000, February 21). Rockville, MD and Richmond, VA: HHS/HRSA/OSP/DOT and UNOS. Retrieved September 30, 2001 from the World Wide Web: [http://www.unos.org/Data/anrpt\\_main.htm](http://www.unos.org/Data/anrpt_main.htm)

<sup>[2]</sup> 1999 Annual Report of the Bone Marrow Donors Worldwide. Leiden, The Netherlands. Retrieved October 2, 2001 from the World Wide Web: <http://www.bmdw.org/AnnualReport/AnnualReport1999.html>