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FISCAL IMPACT REPORT

SPONSOR: Cisneros DATE TYPED: 02/26/01 HB _____
 SHORT TITLE: "Cesar Chavez Day" As Legal Holiday SB 151/aSFC
 ANALYST: Gonzales

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
			See Narrative	Recurring	All*

*All funds used to pay for salary and benefits.

(Parenthesis () Indicate Expenditure Decreases)

Relates to HJR 16

SOURCES OF INFORMATION

LFC Files
 State Personnel Office

SUMMARY

Synopsis of Senate Finance Committee Amendment

The amendment changes the bill so the holiday is observed on the last Saturday of March rather than Friday. With this change, there would be minimal cost to the state for paying employees other than those who are required to work on the Saturday as part of their regular duties.

Synopsis of Bill

Senate Bill 151 establishes Cesar Chavez Day as a legal public holiday to be observed on the last Friday in March.

Significant Issues

Currently, New Mexico has 10 legal holidays which grants state employees paid time off. However, those agencies that have critical positions such as at state institutions or for other health, safety and welfare reasons including some at the Corrections, Health and Public Safety departments must pay

their employees in these positions at two and one half times their regular hourly salary if they work on these legal holidays.

FISCAL IMPLICATIONS

There is a cost to agencies associated with employees who must work on a state holiday and are entitled to be paid at two and one half times their regular hourly salary. However, the bill does not contain an appropriation to cover the additional costs.

There is an indirect fiscal impact to state agencies who lose day of employees being at work. While the regular salary and benefits costs to pay employees for this day are already budgeted, the additional funding to pay the overtime for employees working on a holiday are not budgeted.

The three agencies that would be most heavily impacted by the additional cost of holiday pay are the Health, Public Safety and Corrections departments for a total salary and benefits cost of approximately \$310.0. The general fund portion would be approximately \$238.7.

The State Personnel Office reports the salary and benefits cost of operating the Executive branch of government for one day is approximately \$2.9 million. This is based on 20,000 employees with an average salary of \$30.0 and the average benefits cost of 25.24% of salary and employees working 2,080 8-hour days.

These cost estimates do not include those associated with the Judicial or Legislative branches or educational institutions.

ADMINISTRATIVE IMPLICATIONS

The State Personnel Board annually takes action to set the state government holiday calendar on which legal state holidays will be observed which would include the holiday specified in this bill.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

Senate Bill 151 relates to House Joint Resolution 16 which calls for a constitutional amendment to establish Cesar Chavez Day as a holiday.

JMG/prr