

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 123:1-34-11

**Rule Type:** Amendment

**Rule Title/Tagline:** Mandatory cost savings program.

**Agency Name:** Department of Administrative Services

**Division:** Division of Human Resources

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#### I. Rule Summary

1. **Is this a five year rule review?** No
  - A. **What is the rule's five year review date?** 9/15/2023
2. **Is this rule the result of recent legislation?** No
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 124.09, 124.392
5. **What statute(s) does the rule implement or amplify?** 124.392
6. **What are the reasons for proposing the rule?**

To implement ten cost savings days for exempt employees for Fiscal Year 2021 in light of the financial situation created by the COVID-19 Pandemic.

7. **Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

The rule contains the parameters and requirements for mandatory cost savings days that were originally implemented in fiscal years 2010 and 2011 for employees that are exempt from collective bargaining and paid pay warrant of the Director of Budget and Management. The rule is being amended to implement mandatory cost savings days

in fiscal year 2021. The amendments also modify how the Auditor of State, Secretary of State, Treasurer of State, and Attorney General have their employees participate if they so choose, remove the previous requirement that cost savings days be used before other types of paid leave, and modify the parameters for employees that will not receive equalization for cost savings days they do not get to use.

8. **Does the rule incorporate material by reference? No**
9. **If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

*Not Applicable*

10. **If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

*Not Applicable*

## **II. Fiscal Analysis**

11. **Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will decrease expenditures.

\$58,000,000

The ten cost savings days will have the effect of reducing payroll costs for employees that are exempt from collective bargaining by approximately 3.8% during fiscal year 2021.

12. **What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

Not Applicable

13. **Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**

14. **Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**

15. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

Not Applicable

### III. Common Sense Initiative (CSI) Questions

16. Was this rule filed with the Common Sense Initiative Office? No

17. Does this rule have an adverse impact on business? No

- A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No
- B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No
- C. Does this rule require specific expenditures or the report of information as a condition of compliance? No
- D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? No

### IV. Regulatory Restrictions (This section only applies to agencies indicated in R.C. 121.95 (A))

18. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? Yes

- A. How many new regulatory restrictions do you propose adding? 0
- B. How many existing regulatory restrictions do you propose removing? 4

123:1-34-11(C) [Third Paragraph] - The restriction applying the statutory presumption of participation in cost savings days applying to the Secretary of State, Auditor of State, Treasurer of State, or Attorney General if they have not opted out by the effective date of the rule is being removed from the rule.

123:1-34-11(D)(5) [First Sentence] - The restriction that on or after October 1, 2009 an employee must utilize cost savings days before requesting any other prescheduled full day of leave is being removed from the rule.

123:1-34-11(D)(5) [Second Sentence] - The restriction that if an employee requests a prescheduled full day of leave prior to using all the employee's cost savings days and the appointing authority allows the employee to be out of the work place, the appointing authority shall count the leave as a cost savings day instead of the type of leave requested is being removed from the rule.

123:1-34-11(D)(5) [Last Sentence] - The restriction that the language of Paragraph (D)(5) is not intended to limit or prohibit the use of cost savings days in less than full day increments is being removed from the rule.