State of Washington
Joint Legislative Audit and Review Committee

506 16th Ave. S.E., Olympia, WA 98501-2323
(Campus Mail: PO Box 40910), Phone: (360) 786-5171
http://www.leg.wa.gov/www/lbc/

Leave Sharing Program

Report 97-7

December 1, 1997

Upon request, this document is available in alternative formats for persons with disabilities.

TABLE OF CONTENTS

LEAVE SHARING PROGRAM

Summary

Overview

This study of the Leave Sharing Program is the result of a legislative mandate to conduct a limited examination of the program and the costs involved in its implementation. This program was created to permit state employees, at no significant increased cost to the state of providing leave, to come to the aid of fellow state employees through a leave sharing process.

Major findings of this study include:

✓ The Leave Sharing Program is being used by state employees in almost every agency in the state. In FY96, 683 state employees availed themselves of the program. In comparison, during FY97, 835 state employees received shared leave under the expanded program. Although the number of program recipients has increased from FY96 to FY97, the number of individuals on leave without pay has remained relatively constant.

✓ Direct program expenditures for FY96 were $1.8 million. This amount increased 76 percent to $3.2 million in FY97. When adjustments are made to reflect offsetting reductions in agency costs, the comparative results are similar: approximately $1.7 million in FY96 versus $2.9 million in FY97–an increase of 66 percent. This increase in program costs appears to be largely attributable to the expansion of the program in 1996 to make sick leave available for donation in FY97.

✓ State agencies have taken steps to meet the legislative intent that the Leave Sharing Program does not significantly increase the cost of leave to the state

BACKGROUND

Creation/Expansion of Program--Legislative Study Mandate

The "Leave Sharing Program" was created by the legislature in 1989 "to permit state employees, at no significant increased cost to the state of providing annual leave, to come to the aid of a fellow state employee . . ." through a leave sharing process.

In 1996, the legislature expanded the Leave Sharing Program to include transfer of sick leave and the personal holiday, in addition to annual leave. The legislature also mandated that the Joint Legislative Audit and Review Committee (JLARC)[1] conduct a study of leave sharing and report its findings to the legislature by December 1, 1997.

Legislature mandated study on use and cost of program

Study Approach

The study addresses specific legislative questions about the potential increased use and cost of the expanded Leave Sharing Program.[2] In order to address the study objectives, this study utilizes data from the Office of Financial Management (OFM) and the Department of Personnel (DOP) for a comparison of the FY96 to FY97 use, cost, and impact of the program.

FINDINGS

Leave Sharing Program Utilized in Almost All State Agencies

During FY96, 683 state employees[3] received leave under the Leave Sharing Program. In comparison, during FY97, 835 state employees received shared leave under the expanded program. Over 4,000 employees donated leave to their fellow employees during this

[1] At that time, the committee was called the Legislative Budget Committee.
[2] JLARC was not asked to conduct a sunset type review of this program which would have required a recommendation on the program's continuation.
[3] This number excludes employees of institutions of higher education.

same year. On a statewide basis, 64 state agencies employing 99 percent of all state employees participated in the program during FY97.

Cost of the Program Increased after Expansion

Cost of Leave Sharing Program increased 76 percent

State agency Leave Sharing Program expenditures were $1,804,924 for FY96 and increased 76 percent to $3,184,978 for FY97. This increase in cost appears to be mainly attributable to the cost of the sick leave transferred, which was $1,360,471 for FY97.

The *net* cost of the Leave Sharing Program to the state would be somewhat less than the figures cited above. When annual leave is donated, it becomes unavailable for subsequent cashout upon termination of employment or retirement. When sick leave is donated, it cannot be used as part of the annual one-for-four sick leave buyout option, or upon retirement. Additionally, in those situations where a person would have to be replaced if they used the vacation or were on sick leave themselves (e.g., post staffing at prisons), there is a savings to the state by donation of the leave to another individual (i.e., no cost to backfill the position). If these factors are taken into account, costs[4] of the program would be roughly $1.7 million for FY96 and $2.9 million for FY97, which represents a 66 percent increase.

Leave Without Pay Increased in Spite of Program Expansion

We attempted to measure the effect of the 1996 expansion of the Leave Sharing Program by looking at changes in the number of individuals who exhausted all leave during the first year of the expanded program compared to the previous year. We found that the number of individuals who were on leave without pay status due to extraordinary illness or injury increased in FY97 over FY96 by 8 percent. This increase took place within the context of an even larger percentage increase in the number of shared leave donors and recipients.

[4] These dollar amounts are net present values reflecting some savings that will occur in the future.

Compliance with Legislative Intent

Program in compliance with intent

State agencies are taking measures to meet legislative expectations that the Leave Sharing Program "not significantly increase the cost of providing annual leave, sick leave, or personal holidays." OFM, as a matter of practice, does not permit state agencies to budget for potential Leave Sharing Program expenditures, and DOP rules do not allow individuals to donate leave to avoid its lapsing. Review of relevant leave sharing reports produced by DOP indicated general compliance with this directive as well as the fact that rules are in place to ensure that employees maintain minimum leave balances before contributing leave. Additionally, consistent with legislative direction, OFM and DOP have enhanced the state's budgetary, accounting and personnel databases in order to better track shared leave expenditures and utilization.

Leave Sharing Practices in Other States

Under a variety of rules, 17 states have sick leave pools to assist employees who have exhausted all their personal sick leave. Eight other states permit annual leave to be donated to individual employees to use for sick leave. Washington appears to be the only state that allows sharing of three types of leave–sick, annual, and the personal holiday–on an individual-to-individual basis. The state of Massachusetts allows transfer of these same categories of leave on a sick leave pool basis.

AGENCY RESPONSE

We shared the report with the Department of Personnel and the Office of Financial Management and provided them an opportunity to comment. No written comments were submitted by those agencies.

ACKNOWLEDGEMENTS

We wish to acknowledge the assistance provided by the Office of the State Actuary, the Office of Financial Management, the Department of Personnel and the personnel offices of the state agencies who participated and contributed information to this study. We would also like to thank the representatives of the Washington Federation of State Employees who were very helpful in providing background information on the program.

This study was conducted by Gerry McLaughlin of the JLARC staff, and supervised by Bob Thomas.

Cheryle A. Broom
Legislative Auditor

On December 1, 1997, this report was approved by the Joint Legislative Audit and Review Committee and its distribution authorized.

Representative Cathy McMorris
Chair

LEGISLATIVE ISSUES AND STUDY APPROACH

Chapter One

Overview

The Leave Sharing Program was created by the legislature in 1989.[1] In this chapter we discuss the program's purpose, legislative history and the study approach we used to address legislative concerns regarding the use, cost and effectiveness of the program. We also discuss data availability and reliability issues.

Legislative Intent

The Leave Sharing Program's enabling legislation stated that the purpose of the program was "to permit state employees, at no significantly increased cost to the state of providing annual leave,[2] to come to the aid of a fellow state employee who is suffering from or has a relative or household member suffering from an extraordinary or severe illness, injury, impairment, or physical or mental condition which has caused or is likely to cause the employee to take leave without pay or terminate his or her employment."

Expansion of Program and JLARC Study Mandate

In 1996, with the passage of 3SHB 1381, the legislature expanded the state's Leave Sharing Program to include transfer of sick leave and the personal holiday (in addition to annual leave) from one

[1] ESSB 5933, Chapter 93, Laws of 1989, Codified under RCW 41.04.650 through RCW 41.04.670 and RCW 28A.400.380.

[2] The enabling legislation for the Leave Sharing Program in 1989, ESSB 5933, used the term "annual leave" to refer to what was called "vacation leave" in pre-existing state statute. In this report we use the terms interchangeably. It should be noted, however, that state law dealing with school districts uses the term "annual leave," which is by definition sick leave to be used for illness and injury (see RCW 28A.310.240).

state employee to another. That act also mandated that JLARC conduct a study of the program and report its findings to the legislature by December 1, 1997.

Legislative Issues-Study Approach

The study addresses legislative questions about the potential increased use and cost[3] of the expanded Leave Sharing Program. In order to address the study objectives,[4] we obtained data from OFM and DOP for a comparison of the FY96 to FY97 use, cost, and impact of the program. Also, as a measure of program effectiveness, we attempted to ascertain the number of state employees who have exhausted all leave due to extraordinary illness or injury under the previous program in comparison to the expanded program. Finally, we reviewed available OFM and DOP policies and management information to assess measures taken to carry out legislative intent in establishing the Leave Sharing Program.

Leave Accrual Process and Leave Sharing Parameters

State employees accrue anywhere from one day to 1.7 days a month annual (vacation) leave,[5] and one day a month sick leave. They also accrue one additional day a year as a personal holiday.[6] Under the Leave Sharing Program, state employees may transfer any amount of annual leave to other state employees who are in need, provided that they maintain a minimum balance of 80 hours.[7] They may also transfer up to six days a year of sick leave, provided that they maintain a minimum balance of 480 hours.[8]

---

[3] When the initial Leave Sharing Program was created in 1989, the fiscal notes on the enabling legislation estimated that only minimal administrative costs would be incurred as a result of passage of the act.

[4] See Appendix 1.

[5] The specific statutory provisions covering annual (vacation) leave are set out in RCW 43.01.40 through RCW 43.01.045, and the authority to establish sick leave policy is delegated to the Washington Personnel Resources Board under Chapter 41.06 RCW.

[6] The personal holiday must be used by end of the calendar year.

[7] RCW 41.04.665 does state however, "an employee shall not receive a total of more than two hundred sixty-one days of leave. "

[8] DOP practices require donated sick leave to be deducted only from the current calendar year balance, not from any previous years balances.

Data Availability and Reliability

Only two years of data available

For purposes of our analyses, we were limited to two years worth of expenditure and leave data.[9] This enabled us to compare only the last year (FY96) of the Leave Sharing Program's operations under the old law to the first year (FY97) under the expanded program. Additionally, very limited program data were available from the Higher Education System. Throughout the report, program expenditure information from OFM includes data from higher education institutions. On the other hand, program participation and utilization information from DOP does not include higher education data.

During the course of this study we encountered inconsistencies between the expenditure data for shared leave reported by OFM and the related leave tracking data in the DOP centralized personnel payroll system. We were told by the agencies involved that these anamolies in the data were caused by initial implementation problems, i.e., using manual data collection procedures and data reconciliation and input problems within state agencies.

These data issues were not significant enough to preclude us from addressing the study's scope and objectives and making relevant findings based on that data. The major weakness of the data is that total program utilization rates may be understated. However, the degree of understatement appears appoximately the same for each fiscal year.

---

[9] The agency financial reporting system (AFRS) did not separately track agency expenditures incurred as a result of shared leave until FY96. Additionally DOP did not have discrete tracking of the transfer of sick leave and personal holiday leave hours until late FY97, and had to collect FY96 data through manual tabulation by state agencies of shared leave from personnel files.

PARTICIPATION/EXPENDITURES FOR LEAVE SHARING PROGRAM

Chapter Two

Overview

The Shared Leave Program has been the subject of some legislative interest because no detailed comprehensive estimates of potential program utilization and costs were available during legislative deliberations on enactment of the program in 1989, nor upon its expansion in 1996. In this chapter, we compare utilization and costs for the program between FY96 and FY97–the years before and after its expansion. We also attempt to estimate any offsetting savings that might accrue from any future reduced cashout of leave and from lower staff backfill costs in certain institutions.

Participation in Program by State Employees and State Agencies

During FY96, 683 state employees[1] received leave under the Leave Sharing Program. In comparison, during FY97, 835 state employees received shared leave under the expanded program. Over 4,000 employees donated leave to their fellow employees during this same year. On a statewide basis, 64 state agencies employing 99 percent of all state employees participated in the program during FY97.

Cost of Leave Sharing Program

Fiscal Estimates Provided to Legislature

The legislative history of the Leave Sharing Program reveals that there was an expectation that the program would have little or no

[1] This number excludes employees of institutions of higher education.

Future costs of program were not known

impact on state agency expenditures. The fiscal note prepared by OFM in 1989 on the enabling legislation for the Leave Sharing Program (SSB 5933) indicated the following: "The primary cost to the state for the Washington State leave sharing program would be the administrative costs." However a dollar amount was not projected nor have these costs been tracked by state agencies.[2] Fiscal notes developed by DOP and the Higher Education Personnel Board (HEPB) were similar. The cost estimates submitted on 3SHB 1381 in 1996, which expanded the scope of the program, also indicated no determinate impact. Additionally, there was very little information in the original legislative history that quantified the need for the program, e.g., an estimate of the number of persons who would request shared leave.

State Expenditures for Leave Sharing Program[3]

Based on data obtained from OFM, statewide expenditures for the Leave Sharing Program for the last two fiscal years are shown below in Exhibit 1. These expenditures include those for institutions of higher education.

Exhibit 1

State Expenditures for Leave Sharing Program
FY96 Compared to FY97

Year	Annual Leave	Sick Leave	Personal Holiday	Total
FY96	$1,804,758	$166	$0	$1,804,924
FY97	$1,743,708	$1,360,471	$80,799	$3,184,978
Change From FY96	($61,050)	$1,360,305	$80,799	$1,380,054

As shown above, expenditures for the Leave Sharing Program for state agencies were $1,804,924 for FY96 and $3,184,978 for FY97, which represents a 76 percent increase. This increase in cost appears to be mainly attributable to the cost of the sick leave transferred, which was $1,360,471 for FY97.

---

[2] In response to our survey, agency personnel directors and officers indicated to us that the administrative costs for the Leave Sharing Program are significant, but are not tracked.

[3] The scope of this study did not include school districts since 3SHB 1381 did not significantly impact school districts' leave sharing practices.

Net Cost of Leave Sharing Program

The net cost to the state of the Leave Sharing Program would be somewhat less than the figures cited above for a number of reasons. The reasons most readily quantified are as follows.[4]

When either annual leave or sick leave is donated, it becomes unavailable for subsequent cashout upon termination of employment or retirement.

Donation of leave may result in future savings to state

Each year state employees with a balance of over 60 days of sick leave may elect to receive compensation for 25 percent of all sick days accrued in the previous year (less leave taken). Also, upon retirement or death, employees or their survivors are compensated for 25 percent of all sick leave. State employees are also compensated for all unused annual leave upon termination of employment.

Additionally, in those situations where a person would have to be replaced if they used the vacation leave themselves, there is a savings to the state by donation of the leave to another individual. An example would be a correctional officer in a state prison who staffs a post in a guard tower or a housing unit. Whenever such an officer is unavailable due to absence on leave, that officer must be replaced from a relief pool of full-time staff, by an on-call (part-time) officer, or through the use of overtime. Since relief needs within the Department of Corrections (DOC) are projected and budgeted based on historical leave use, it can be expected that lower use of leave due to the Leave Sharing Program would eventually be translated into actual savings to the state.

A calculation of the types of offsetting savings described here must rely on a number of assumptions, many of which rely on estimates that may be inexact. As an example, the present value of savings related to sick leave buy out depends on whether leave balances are cashed out in the following year or upon retirement. Additionally, actuarial data and assumptions must be used to project what percentage of donors would lose their accrued sick leave because they terminate state employment before being eligible for retirement payments.

[4] There are other types of offsetting benefits that might also be considered, such as increased employee productivity, and decreasing the need for state employees to seek welfare assistance. We did not have data that would have allowed us to attempt to quantify such benefits.

Based on calculations of the upper and lower limits for some values (such as sick leave buyout), and on assumptions provided by the State Actuary and individual agencies, we estimate the net present value cost of the Leave Sharing Program to be roughly $1.7 million for FY96 and $2.9 million for FY97. The difference between the two years represents an increase of 66 percent.

Joint Participation by the State and Employees as Donors

State pays twice for benefits associated with shared leave

In most cases, when employees donate leave they are either giving up time off or are giving up compensation (either dollar-for-dollar in the case of annual leave, or 25 cents on the dollar for sick leave). The main exception would be the cases in which individuals donate sick leave they would never have used and for which they would never have been compensated.

The state's contribution occurs in two ways. First, it incurs an expense when leave is transferred and paid out (and there is not an offsetting expense reduction on the part of the employee who is a donor). Second, it incurs all of the costs of donated benefits. When leave is donated, the recipient receives all associated benefits related to each day on leave, including the accrual of sick leave, vacation, and holidays.[5] However, since the donor, by continuing to work, does not give up any of these benefits, this remains a cost for the state. This direct donation of benefits by the state accounts for approximately 29 percent of the net cost of the program.[6]

Effect of Change in Leave Sharing Program on Sick Leave Buyout Program

Theoretically, the ability of state employees to donate sick leave could reduce the magnitude of the sick leave buyout program since the criteria for participation in both programs is the same (sick leave balance of 480 hours), and donation of sick leave would reduce the amount available for the annual buyout (and subsequently the

---

[5] The entitlement to all associated benefits while receiving shared leave is specifically authorized by the legislature in RCW 41.04.665(7)

[6] For each dollar in salary, there is an additional 40 cents in benefits (26 cents for health insurance, retirement, social security, etc., and 14 cents for accrued holiday, vacation, and sick leave). Forty cents is approximately 29 percent of $1.40.

cash out of sick leave upon retirement). As shown below, expenditures within the program were stable from FY93–FY95, and then experienced a large increase in FY96 and have remained at that level.

Exhibit 2

Annual Expenditures for Sick Leave Buy Out Program
FY93 through FY97

	FY93	FY94	FY95	FY96	FY97
Expenditures	$6,970,034	$6,987,901	$7,134,686	$8,040,543	$8,072,230
Percent Change Year to Year		0.3%	2.0%	12.7%	0.4%

This trend in payments to state employees before and during the implementation of the expanded Shared Leave Program (to include sick leave) shows what appears to be somewhat of a decrease in the rate of growth of the sick leave buyout program in FY97. However, with just one year of data under the expanded Shared Leave Program, we cannot state that the apparent change in the trend in FY97 is the result of employees donating sick leave rather than cashing it in at the end of the calendar year.

EFFECT OF 1996 PROGRAM EXPANSION

Chapter Three

Overview

Since the purpose of the program was to mitigate the impact of extraordinary illness or injury to employees, we asked a sample of the larger agencies (representing over 47,000 FTEs, but excluding institutions of higher education) how many employees exhausted all leave and ended up on authorized leave without pay status,[1] or terminated employment? In this chapter, we discuss the results of our survey.

Impact of Program Expansion

As shown in Exhibit 3 below, state agencies in the sample reported that 314 state employees were on leave without pay (LWOP) status or terminated employment due to extraordinary illness or injury in FY96 compared to 339 in FY97. This represents an increase of 8 percent.[2]

[1] WAC 356-18-140 (5) states that "employees returning from authorized leave without pay shall be employed in the same position, or in another similar position in the same class and in the same geographical area, provided that such return to employment is not in conflict with rules relating to reduction in force."

[2] This number only includes those who were on LWOP or terminated employment due to conditions which would have qualified them to participate in the Shared Leave Program.

Exhibit 3
Comparison of Donors, Recipients, and Those on Leave Without Pay (LWOP) FY96 vs. FY97

Fiscal Year	FY96	FY97	Percent Change
# Individual Donors			
Annual Leave	3516	2530	
Sick Leave	119	1454	
Personal Holiday	19	389	
Total	**3654**	**4373**	**20%**
# Individual Recipients	683	835	22%
# Individuals on LWOP	314	339	8%

Some state employees choose not to partici-pate

Also as shown in Exhibit 3, using DOP information, the number of people donating shared leave increased by 20 percent in FY97 over FY96, and the number of recipients increased by 22 percent. Since the data is extracted from two different sources, but is based on the same population, the percentage changes are the relevant comparisons rather than the numbers themselves. We found no explanation for the increase in those on LWOP status given the additional shared leave resources made available by the 1996 program expansion.

Two of the larger agencies reported that a number of their employees, who viewed shared leave as “charity,” did not ask their agency to solicit shared leave for them, and chose to go on LWOP. Also, some individuals are not very successful in attracting shared leave donations.

Also, the data in this exhibit confirmed the OFM expenditure data trends, discussed in Chapter 2, showing a relative decrease in the number of individuals donating annual leave, and a commensurate increase in the number of individuals donating sick leave.

COMPLIANCE WITH LEGISLATIVE INTENT

Chapter Four

Overview

The Leave Sharing Program's enabling legislation emphasized that the state personnel authorities[1] shall adopt rules and establish procedures to "ensure that the program does not significantly increase the cost of providing leave."[2] In this chapter, we assess the degree that state agencies have adopted policies, collected management information, and taken other steps to fulfill legislative expectations in this regard.

OFM Budget Development Practices

State agencies not allowed to budget for shared leave expenditures

In response to legislative intent, OFM, as a matter of practice, has not allowed state agencies to budget for potential Leave Sharing Program expenditures, and this was the case for the 1995-97 Biennium. This practice is also in effect for the 1997-99 Biennium. State agencies are expected to pay for shared leave expenditures out of existing appropriations. State law does allow OFM to adjust the appropriation of an agency receiving funds under the program if the existing appropriation authority would prevent the agency from expending the funds received.

DOP Rules Adopted

The DOP likewise has responded to legislative intent by adopting rules[3] that prohibit individuals from donating annual leave to avoid

[1] State Personnel Board and Higher Education Personnel Board are now combined as the Washington Personnel Resources Board.
[2] See RCW 41.04.670(3).
[3] See WAC 356-18-112.

that leave lapsing under the provisions of RCW 43.01.040.[4] WAC's require that annual leave not be donated to avoid lapsing. DOP states that agencies are responsible for enforcement of this provision. We asked DOP to provide us with specific management reports on donations of annual leave for FY97 to see if this criterion was being met. A review of the data did not indicate any obvious patterns that annual leave was being donated just to avoid its lapsing. However, our analyses was limited since we only reviewed this report.

Annual Leave Lost Due to Reaching Statutory Leave Accrual Limitations

Almost 100,000 hours of annual leave lapsed during FY97

As a follow-up to the previous discussion, we obtained a listing of the number of individuals by agency and the number of hours of annual leave that were "automatically extinguished" during FY97. In that year 3,898 individuals lost a total of 99,255 hours of leave. Review of this list indicated that this provision of state law is enforced by DOP.

Use of Shared Leave on One-Day-a-Month Basis

One of the questions raised during the course of the study was the degree that state employees can use leave that has been donated to them, on a one-day-a-month basis, to maintain their medical benefits. In cases where this is done, the employees leverage one day of shared leave to acquire $317 worth of state paid medical and dental benefits. Data provided by DOP indicates that during FY97, the number of Leave Sharing Program participants using this option ranged from a low of 25 (August '96) to a high of 39 (November '96) per month. The highest monthly number at 39 represented 5 percent of the total number of recipients of shared leave for FY97.

[4] RCW 43.01.040 states that unused vacation leave may be accrued "not to exceed 30 working days." Excess leave is automatically adjusted back to the 30-day maximum on each individual's anniversary date, unless the employing agency has previously denied a leave request which would have reduced the leave balance to 30 days.

Enhancement of OFM and DOP Databases

As noted in Chapter 1, the state financial accounting system (AFRS) did not separately track agency expenditures incurred as a result of shared leave until FY96. Additionally, DOP did not track the transfer of sick leave and personal holiday leave hours until late FY97, and had to collect FY96 data through manual tabulation by state agencies of shared leave from personnel files.

Consistent with legislative direction[6] and the 1996 legislative changes to the Leave Sharing Program, OFM and DOP have enhanced the state's budgetary, accounting and personnel databases in order to better track shared leave expenditures and utilization.

[6] See RCW 41.04.670

LEAVE SHARING PRACTICES IN OTHER STATES

Chapter Five

This state's Leave Sharing Program is somewhat unique in comparison to models used in other states. It does not include use of a sick leave pool as others do, and it permits sharing of all types of leave: sick, annual, and personal holiday. In this chapter, based on data collected by Workplace Economics Inc.,[1] we provide some information on leave sharing practices in the other 49 states.

Overview

Overview of Leave Sharing Practices for State Government Employees in Other States

Leave sharing programs are fairly common across the country. Twenty-nine states have some sort of shared leave program for their employees. Many states appear to favor a "Sick Leave Pool" shared leave system, in contrast to the individual-to-individual system we have in the state of Washington.

Twenty-nine state have shared leave programs

The following 17 states have a sick leave pool: Alabama, Arkansas, Connecticut, Florida, Illinois, Maryland, Massachusetts, Missouri, Montana, Nevada, New Jersey, Ohio, South Carolina, Tennessee, Texas, Utah, and Vermont. Eight other states permit annual leave to be donated to individual employees to use for sick leave.

Washington appears to be the only state that allows sharing of three types of leave–sick, annual, and the personal holiday–on an individual-to-individual basis. The state of Massachusetts allows transfer of these same categories of leave on a sick leave pool basis.

[1] Source: 1997 State Employee Benefits Survey, Workplace Economics, Inc., Washington, D.C.

The following exhibit (extracted from Workplace Economics Inc. Survey) summarizes the various shared leave programs in the United States with an emphasis on those with sick leave pools. The notes following the exhibit provide additional detail on other shared leave practices among the states. We have no additional information on the other states' shared leave programs beyond that contained in the Exhibit.

Exhibit 4

Leave Sharing Programs in Other States

State	Sick Leave Pool	State	Sick Leave Pool
Alabama	Yes	Montana	Yes(9)
Alaska	No(1)	Nebraska	No
Arizona	No(1)	Nevada	Yes
Arkansas	Yes	New Hampshire	No
California	No(1)	New Jersey	Yes
Colorado	No(1)	New Mexico	No(1)
Connecticut	Yes(2)	New York	No(1)
Delaware	No	North Carolina	No
Florida	Yes(3)	North Dakota	No(10)
Georgia	No	Ohio	Yes
Hawaii	No	Oklahoma	No
Idaho	No	Oregon	No
Illinois	Yes	Pennsylvania	No
Indiana	No	Rhode Island	No
Iowa	---	South Carolina	Yes
Kansas	No(4)	South Dakota	No
Kentucky	No(5)	Tennessee	Yes
Louisiana	No	Texas	Yes
Maine	No	Utah	Yes(11)
Maryland	Yes(6)	Vermont	Yes
Massachusetts	Yes(7)	Virginia	No(1)
Michigan	No	Washington	No
Minnesota	No	West Virginia	No
Mississippi	No	Wisconsin	No
Missouri	Yes(8)	Wyoming	No(1)

Source: 1997 State Employee Benefits Survey, Workplace Economics, Inc., Washington, D.C.

Notes to Exhibit 4
Leave Sharing Programs in Other States

(1) Alaska, Arizona, California, Colorado, New Mexico, New York, Virginia, Wyoming: Annual leave may be donated by individual employees, subject to specific limitations, to individual employees to use for sick leave.

(2) Connecticut: For some employee groups.

(3) Florida: Each agency has discretion to establish sick leave pools.

(4) Kansas: Accrued sick leave in excess of 480 hours and accrued annual leave in excess of 80 hours may be donated, subject to specific limitations, to individual employees to use for sick leave.

(5) Kentucky: Sick leave sharing program available, but no sick leave pool.

(6) Maryland: Leave bank option available to employees that have donated one day of leave.

(7) Massachusetts: Sick leave pool is donated annual, personal and sick leave.

(8) Missouri: Employees donate their vacation time in increments of one hour to "Shareleave Pool" to provide additional paid leave for employees who have experienced a personal illness or injury which is life threatening.

(9) Montana: Employees must donate eight hours to join sick leave pool. Leave may be voluntarily donated by individual employees to employees who have not joined the bank.

(10) North Dakota: Accrued sick leave may be donated by individual employees, subject to specific limitations, to individual employees to use for sick leave.

(11) Utah: Sick leave pools established at agency discretion, but only annual leave may be donated.

SCOPE AND OBJECTIVES

Appendix 1

SCOPE

The scope of this study shall include a comparison of Fiscal Year 1996 to Fiscal Year 1997 of the use, costs, and impact of the Leave Sharing Program.

OBJECTIVES

To determine the impact of the expansion of the Leave Sharing Program on:

- The extent of use of the program.
- The costs incurred by agencies and the state for the program.
- The degree the program mitigates the need for state employees to go on unpaid leave status due to extraordinary illness or injury.