COMMITTEE REPORT

April 25, 2018

**H. 5040**

Introduced by Reps. King and Atwater

S. Printed 4/25/18--H.

Read the first time March 1, 2018.

**THE COMMITTEE ON MEDICAL,**

**MILITARY, PUBLIC AND MUNICIPAL AFFAIRS**

To whom was referred a Bill (H. 5040) to amend the Code of Laws of South Carolina, 1976, by adding Section 53‑5‑110 so as to require certain buildings and offices to be closed on Martin Luther King, Jr. Day, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking SECTION 1 and inserting:

/ SECTION 1. Chapter 5, Title 53 of the 1976 Code is amended by adding:

“Section 53-5-110. Each local school district must observe Martin Luther King, Jr. Day and Memorial Day as legal holidays and schools and offices of each school district must be closed on those dates. A district may not schedule make‑up days on either day. Schools and school districts may utilize the funds realized from observing those holidays to provide educational training related to the Martin Luther King Jr. Day and Memorial Day observance.” /

Renumber sections to conform.

Amend title to conform.

LEON HOWARD for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Amended by the Health and Environmental Affairs Subcommittee of the House Medical, Military, Public and Municipal Affairs Committee on March 21, 2018**

**Local Expenditure & Revenue**

This bill requires local school districts to observe Martin Luther King, Jr. Day and Memorial Day as legal holidays. Schools and offices of the school districts must be closed on those dates and those dates may not be used by local school districts as make-up days. Any savings realized from observing those holidays may be used to provide education related to those holidays.

The Department of Education indicates that school district calendars are set by the local school boards. Most school districts currently observe these holidays, but some districts include the day in their snow make-up plan. The districts would be required to remove this day from their snow make-up plans, but the Department of Education anticipates no expenditure impact to the local school districts as a result of this activity.

**Introduced on March 1, 2018**

**State Expenditure**

This bill requires that all buildings and offices of the State, and any of its political subdivisions, including school districts, but excluding offices providing medical, protective, or emergency services, must be closed on the third Monday of January in observation of Martin Luther King Jr. Day.

**Department of Administration.** The Department of Administration indicates that this bill mirrors its current practices of observing Martin Luther King, Jr. Day as a legal holiday, in accordance with Section 53-5-10, by closing buildings and offices of the State. It anticipates no expenditure impact to the general fund, federal funds, or other funds as a result of this bill.

The Department of Administration also notes that the holiday schedules of public colleges and universities, including technical colleges, may currently be observed on different dates than shown on the yearly schedule in accordance with S.C. Code Section 53-5-10. However, the number of total holidays cannot exceed the number of holidays allowed by the State and as stated in the State Human Resources Regulation 19-708.02.

**Department of Education.** The Department of Education indicates that this bill mirrors its current practices of observing Martin Luther King, Jr. Day as a legal holiday. It anticipates no expenditure impact to the general fund, federal funds, or other funds as a result of this bill. A discussion of residential special schools is included below where the potential impact to colleges and universities is discussed.

**Commission on Higher Education.** The Commission on Higher Education indicated that the colleges and universities in general currently observe Martin Luther King, Jr. Day. However, several institutions stated that, depending upon how the bill is interpreted and implemented, it could require closing dormitories, dining halls, libraries, and other spaces providing student services. If the bill is interpreted in this manner, the colleges would incur costs associated with relocating students while the dormitories are closed. The amount of these potential costs is undetermined.

Currently, legal state holidays are addressed in Section 53-5-10. This section lists the legal holidays, of which Martin Luther King, Jr. Day is one, and provides flexibility for the colleges and universities in the observance of these holidays. It does not contain a requirement that all buildings and offices of the State be closed on the holiday.

Reading these sections together, it appears that the effect of this bill would be to remove the provision allowing colleges and universities flexibility in the observation of Martin Luther King, Jr. Day. The bill also requires that all buildings and offices of the State be closed. The exemption provided for medical, protective, or emergency services does not appear to cover college dormitories or residential special schools that provide housing to students.

If the bill is interpreted in this manner, the colleges would incur costs associated with relocating students while the dormitories are closed. The amount of these potential costs is undetermined.

**Board for Technical and Comprehensive Education.** The Board for Technical and Comprehensive Education indicates that this bill mirrors its current practices of observing Martin Luther King, Jr. Day as a legal holiday. It anticipates no expenditure impact to the general fund, federal funds, or other funds as a result of this bill.

**Local Expenditure**

The Department of Education indicates that school district calendars are set by the local school boards. Most school districts currently plan Martin Luther King, Jr. Day as a holiday, but some districts include the day in their snow make-up plan. The districts would be required to remove this day from their snow make-up plans, but the Department of Education anticipates no expenditure impact to the general fund, federal funds, or other funds as a result of this activity.

We also contacted forty-six counties and the Municipal Association of South Carolina (MASC) regarding the expenditure impact of this bill. Berkeley, Charleston, Clarendon, Horry, Florence, Lancaster, Pickens, and Saluda counties all indicated there will be no expenditure impact because they currently observe Martin Luther King, Jr. Day. Most buildings are closed on this day as part of their regular practices; however, Pickens County indicated their public safety and recycling centers stay open and the same is true of Saluda County’s law enforcement and Emergency Medical Services offices. Public safety and Emergency Medical Services would be allowed to remain open pursuant to the exemptions provided in this bill. The MASC indicated that all municipalities currently observe Martin Luther King Jr. Day, but there may be an unspecified minimal impact associated with implementing this bill. This is expected to be managed within existing resources.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 53‑5‑110 SO AS TO REQUIRE CERTAIN BUILDINGS AND OFFICES TO BE CLOSED ON MARTIN LUTHER KING, JR. DAY.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 5, Title 53 of the 1976 Code is amended by adding:

“Section 53‑5‑110. All buildings and offices of the State, and any of its political subdivisions, including school districts, but excluding offices providing medical, protective, or emergency services, must be closed on the third Monday of January, in observation of Martin Luther King, Jr. Day.”

SECTION 2 This act takes effect upon approval by the Governor.

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