

July 18, 2008

Hon. Edmund G. Brown Jr.
Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

Attention: Ms. Krystal Paris
Initiative Coordinator

Dear Attorney General Brown:

Pursuant to Elections Code Section 9005, we have reviewed the proposed initiative regarding public holidays (A.G. File No. 08-0013).

Major Provisions

The measure makes November statewide general elections public holidays. These elections take place every even-numbered year.

Fiscal Effect

The fiscal effect of the measure would depend on how it was implemented. For instance, the measure is unclear as to whether it applies to local governments. For the purposes of the fiscal effects discussed below, we assume the new holiday would be structured like a typical statutory state holiday and, therefore, would not affect local governments.

The state would incur additional costs for a state holiday for public safety and 24-hour facility staff. This is because employees receive extra pay for working on a state holiday. Other state employees' pay would likely not change, but they would receive an additional day of vacation. Based on the state cost to add the Cesar Chavez holiday, additional state holiday pay expenses could total in the range of \$20 million (\$12 million General Fund). The state would incur this cost once every two years.

Fiscal Summary. The measure would have the following major fiscal impact:

- Increased state costs once every two years of up to about \$20 million.

Sincerely,

Elizabeth G. Hill
Legislative Analyst

Michael C. Genest
Director of Finance