

BILL SUMMARY
2nd Session of the 56th Legislature

Bill No.:	HB3280
Version:	INT
Request Number:	8362
Author:	Kannady
Date:	3/6/2018
Impact:	Agency Costs: \$5.4 M initially, Future Impact: Unknown, dependent on state employee leave utilization patterns

Research Analysis

The measure modifies the Oklahoma Personnel Act by increasing state employee leave accumulation to the following limits:

Cumulative Years of Service	Accumulation Limits
0-5	45 days
5-10	78 days
10-20	80 days
Over 20	85 days

Current Law:

Cumulative Years of Service	Accumulation Limits
0-5	30 days
5-10	60 days
10-20	60 days
Over 20	60 days

Prepared By: Kyle Meade

Fiscal Analysis

HB 3280 increases the annual leave accumulation limits for state employees. The measure also expands the scenarios in which state employees shall be paid by their employer for excess leave. The measure does not increase the rate at which leave is accrued by employees; however, the increase in accumulation limits will likely result in higher leave balances that agencies will be required to “cash out” upon an employee’s severance from employment. The measure will also result in a shift to an environment where employees are paid for excess leave, which contrasts from the current environment where employees are required to use or forfeit excess leave.

HB 3280 will have a negative fiscal impact on state agencies, due to the fact that agencies will be required to pay employees for leave that previously employees would have had to utilize or forfeit. The cost to each agency will vary based on the leave utilization tendencies of the employees from each agency. Officials from the Office of Management and Enterprise Services (OMES) estimate that of the 48% of state employees whose leave is administered through

systems OMES has access to, the initial cost of the policy changes included in HB 3280 in its current form would be approximately \$2.6 Million. If one assumes the leave utilization tendencies and salary levels of the other 52% of state employees is comparable to this 48% sample size, the statewide cost would be approximately \$5.4M.

Prepared By: John McPhetridge

Other Considerations

There is some question as to whether language modifications in HB 3280 are intended to apply the leave accumulation caps to sick leave (sick leave is not currently subject to caps); if this is the case the fiscal impact will increase substantially.

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