## **BILL SUMMARY**

1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

Bill No.: HB 1787
Version: Introduced
Request Number: 6617
Author: Rep. Pae
Date: 3/8/2021
Impact: See Below

## **Research Analysis**

HB 1787, as introduced, authorizes state agencies to pay an employee for time when the employee is in on-call status, off-premises, but required to remain at or be able to return to work when called upon. The state agency would be required to identify job classes or positions that are subject to on-call duty. For each day that a classified state employee is in on-call status, they would receive compensation for 1 regular work hour; for weekends and holidays, this is increased to 2 work hours. Any hours worked during on-call duty would also be paid to the employee, hour for hour.

Prepared By: Sean Webster

## **Fiscal Analysis**

HB 1787 in its current form requires that agencies compensate classified employees for periods of time when such employees are assigned on-call duty. The measure provides that such employees be compensated one hour of pay for each normal workweek day on-call, and two hours of pay for each weekend/holiday on-call.

The Office of Management and Enterprise Services (OMES) is unable to provide a statewide agency impact for HB 1787. A very similar on-call pay measure was analyzed during the 2019 session. That measure's impact on the Department of Human Services (DHS), an agency believed to be most impacted by the measure, was estimated as follows:

In 2019, DHS estimated they would have approximately 260 employees qualifying for such on-call pay, with an average salary/FICA/benefits rate of \$28.29 per hour. Each employee was estimated to qualify for 481 hours of compensation, (249 workweek days \* 1 hour + 116 weekend and holidays \* 2). The total estimated annual cost to DHS for on-call pay was calculated as approximately \$3,538,000, (260 employees \* 481 hours \* 28.29 hourly rate.) Portions of the compensation for DHS employees are covered by non-state funds such as federal funds; therefor, the state costs related to on-call pay for DHS would be materially less, and was estimated to be approximately \$2,425,000 annually.

Agencies fiscally impacted by the provisions of HB 1787, have the potential to mitigate the costs to such agencies, by restructuring staffing policies in an effort to reduce the number of agency employees subject to on-call duty. Such mitigating opportunities will likely vary agency by agency.

Prepared By: John McPhetridge

## **Other Considerations**

None.	
© 2021 Oklahoma House of Representatives, see Copyright Notice at <a href="www.okhouse.gov">www.okhouse.gov</a>	