1	SENATE FLOOR VERSION April 12, 2023
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3	COMMITTEE SUBSTITUTE FOR ENGROSSED
4	HOUSE BILL NO. 2376 By: Kannady of the House
5	and
6	Hall of the Senate
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8	
9	[state government - Oklahoma Personnel Act -
10	payments - limits - leave - conditions - repealer - effective date -
11	emergency]
12	
13	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
10	BE IT ENACIED BI THE FEORILE OF THE STATE OF ONLAHOMA.
14	SECTION 1. AMENDATORY 74 O.S. 2021, Section 840-2.18, as
15	amended by Section 14, Chapter 243, O.S.L. 2022 (74 O.S. Supp. 2022,
16	Section 840-2.18), is amended to read as follows:
17	Section 840-2.18 A. A longevity pay plan is hereby adopted.
18	This plan applies to all state employees, excluding members of
19	boards and commissions, institutions under the administrative
20	authority of the Oklahoma State Regents for Higher Education,
21	employees of public school districts, and elected officials. The
22	plan shall also apply to those employees of the Oklahoma School for
23	the Blind and the Oklahoma School for the Deaf who qualify for
24	

longevity pay in accordance with subsection G of Section 1419 of
 Title 10 of the Oklahoma Statutes.

B. The Oklahoma Conservation Commission is hereby authorized to
establish a longevity pay program for employees of the conservation
districts employed under Section 3-3-103 of Title 27A of the
Oklahoma Statutes. Such longevity pay program shall be consistent
with the longevity pay program for state employees authorized under
this title and payments shall be made in a manner consistent with
procedures for reimbursement to conservation districts.

10 C. To be eligible for longevity pay, employees must have been 11 continuously employed in the service of the state for a minimum of 12 two (2) years in full-time status or in part-time status working 13 more than one thousand (1,000) hours a year.

For purposes of this section, a break in service of thirty (30) 14 calendar days or less shall not be considered an interruption of 15 continuous service; a break in service of more than thirty (30) 16 calendar days shall mark an end to continuous service. The 17 legislative session employees who have worked for two (2) years or 18 more in part-time status and are eligible for state retirement 19 benefits, but do not receive other longevity payments, shall be 20 eligible and shall be considered to have been continuously employed 21 for purposes of calculating longevity payments, notwithstanding the 22 provisions of subsection E of this section. 23

1	D. 1. Longevity pay for the first twenty (20) years of service
2	shall be determined pursuant to the following schedule:
3	Years of Service Annual Longevity Payment
4	At least 2 years but
5	less than 4 years \$250.00
6	At least 4 years but
7	less than 6 years \$426.00
8	At least 6 years but
9	less than 8 years \$626.00
10	At least 8 years but
11	less than 10 years \$850.00
12	At least 10 years but
13	less than 12 years \$1,062.00
14	At least 12 years but
15	less than 14 years \$1,250.00
16	At least 14 years but
17	less than 16 years \$1,500.00
18	At least 16 years but
19	less than 18 years \$1,688.00
20	At least 18 years but
21	less than 20 years \$1,900.00
22	At least 20 years \$2,000.00
23	2. For each additional two (2) years of service after the first
24	twenty (20) years an additional Two Hundred Dollars (\$200.00) shall

1 be added to the amount stated above for twenty (20) years of 2 service.

The total amount of the annual longevity payment made to an 3 employee by any and all state agencies in any year shall not exceed 4 5 the amount shown on the table corresponding to that employee's years of service with the state, except as otherwise provided by Section 6 840-2.28 of this title. Further, no employee shall receive 7 duplicating longevity payments for the same periods of service with 8 9 any and all agencies, except as otherwise provided by Section 840-2.28 of this title. 10

E. To determine years of service, cumulative periods of fulltime employment or part-time employment working more than one hundred fifty (150) hours per month with the state excluding service as specified in subsection A of this section are applicable. Parttime employment, working one hundred fifty (150) hours per month or less for the state, excluding service as specified in subsection A of this section, shall be counted only if:

The period of employment was continuous for at least five
 (5) months; and

2. <u>a.</u> The person worked more than two-fifths (2/5) time.
21 Other employment shall not be counted as service for
22 purposes of longevity payments. Further, no period of
23 employment with the state, whether with one or more

than one agency, shall be counted as more than fulltime service.

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3	<u>b.</u>	For the purposes of computation required by this
4		section, any service performed by a person during
5		which the person received compensation for duties
6		performed for the state shall be counted if payment
7		for such service was made using state fiscal
8		resources. The provisions of this subparagraph shall
9		not apply to elected or appointed justices or judges,
10		including special judges, who perform service in the
11		trial or appellate courts. The provisions of this
12		section shall apply to persons who perform services as
13		an administrative law judge within the executive
14		department and employees of the judicial branch.

F. Years of service under the administrative authority of the
Oklahoma State Regents for Higher Education or the administrative
authority of the Oklahoma Department of Career and Technology
Education of any employee who is now employed in a job
classification which is eligible for longevity pay shall be included
in years of service for purposes of determining longevity pay.

G. Years of service shall be certified through the current
employing agency by the appointing authority on a form approved by
the Office of Management and Enterprise Services. The form shall be
completed and posted as directed by the Director of the Office of

Management and Enterprise Services by the current employing agency
 when the employee initially enters on duty with the agency and
 thereafter whenever the employee's anniversary date is changed.

Eligible employees, in full-time status or in part-time 4 Η. 5 status working more than one hundred fifty (150) hours per month, shall receive one (1) lump-sum annual payment, in the amount 6 provided on the preceding schedule, during the month following the 7 anniversary date of the employee's most recent enter-on-duty day 8 9 with the state. Upon implementation of the statewide information systems project, the lump-sum annual payment may be paid concurrent 10 with the final payroll of the month of the employee's anniversary 11 12 date. Eligible part-time employees who work one hundred fifty (150) hours per month or less shall receive one (1) lump-sum annual 13 payment, based on the formula in subsection L of this section, 14 during the month following the anniversary date of the employee's 15 most recent enter-on-duty day with the state. To receive longevity 16 pay an employee must be in pay status on or after his or her 17 anniversary date. 18

Eligible employees who would not otherwise receive annual longevity payments because their employment includes regular periods of leave without pay in excess of thirty (30) calendar days shall receive one (1) lump-sum annual payment, based on the formula in subsection L of this section, during:

The month of August if the employee is in pay status on July
 1; or

2. During the month following the employee's first return to duty that fiscal year if the employee is not in pay status on July 5. 1.

Except as otherwise provided by Section 840-2.28 of this title, 6 employees terminated as a result of a reduction-in-force or retiring 7 from state employment shall receive upon said termination or 8 9 retirement the proportionate share of any longevity payment which may have accrued as of the date of termination or retirement. 10 11 Provided further, that τ the proportionate share of any longevity 12 payment which may have accrued as of the date of death of an employee shall be made to the surviving spouse of the employee or if 13 there is no surviving spouse to the estate of the employee. 14

I. Periods of leave without pay taken in accordance with Section 840-2.21 of this title shall be counted as service. Other periods of nonpaid leave status in excess of thirty (30) calendar days shall not mark a break in service; however, they shall:

Not be used in calculating total months of service for
 longevity pay purposes; and

2. Extend the anniversary date for longevity pay by the total
 period of time on nonpaid leave status except as provided in
 subsection H of this section for employees whose conditions of
 employment include regular periods of leave without pay.

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J. Employees currently receiving longevity pay who work for the judicial branch of state government or who work for the Oklahoma Department of Career and Technology Education shall not be eligible for the longevity pay plan provided for in this section.

5 K. A break in service with the state in excess of thirty (30) 6 days but which does not exceed two (2) years which was caused by a 7 reduction-in-force shall be treated as if it were a period of 8 nonpaid leave status as provided for in subsection I of this section 9 for the purpose of calculating total months of service for longevity 10 pay. This subsection shall only apply to state employees laid off 11 after June 30, 1982.

L. Eligible part-time employees working less than one hundred fifty (150) hours per month and other eligible employees with regular annual periods of leave without pay of more than thirty (30) calendar days will receive a prorated share of the "Annual Longevity Payment" authorized in subsection D of this section. The prorated amount of payment will be based on actual hours worked in the immediately preceding twelve (12) months.

M. An employee shall not be entitled to retroactive longevity payments as a result of amendments to this section unless specifically authorized by law.

N. The Director of the Office of Management and EnterpriseServices is authorized to promulgate such Longevity Pay Plan Rules

as he or she finds necessary to carry out the provisions of this
 section.

O. As of July 1, 1998, years of service with a city-county 3 health department for employees who left a city-county health 4 5 department for employment with the Department of Environmental Quality or the Oklahoma Department of Agriculture, Food, and 6 Forestry, between July 1, 1993, and July 1, 1998, and who are now 7 employed in a job classification that is eligible for longevity pay 8 9 pursuant to this section, shall be included in years of service for purposes of determining longevity pay subsequent to July 1, 1998. 10

P. As of July 1, 2003, years of service with a local conservation district shall be included in years of service for purposes of determining longevity pay for local conservation district employees transferred to the Oklahoma Conservation Commission pursuant to the provisions of this section.

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 SECTION 2.
 AMENDATORY
 74 O.S. 2021, Section 840-2.20, as

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 amended by Section 16, Chapter 243, O.S.L. 2022 (74 O.S. Supp. 2022,

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 Section 840-2.20), is amended to read as follows:

Section 840-2.20 A. The Director of the Office of Management and Enterprise Services shall promulgate such emergency and permanent rules regarding leave and holiday leave as are necessary to assist the state and its agencies.

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The Director of the Office of Management and Enterprise
 Services, in adopting new rules, amending rules and repealing rules,
 shall ensure that the following provisions are incorporated:

Eligible employees who enter on duty or who are reinstated 4 1. 5 after a break in service shall receive leave benefits in accordance with the schedule outlined below. Leave shall be accrued based upon 6 hours worked, paid leave, and holidays, but excluding overtime, not 7 to exceed the total possible work hours for the pay period. 8 Years 9 of service shall be based on cumulative periods of employment calculated in the manner that cumulative service is determined for 10 longevity purposes pursuant to Section 840-2.18 of this title. 11 12 Employees may accumulate more than the maximum annual leave accumulation limits shown in the schedule below provided that such 13 excess is used during the same calendar year in which it accrues or 14 within twelve (12) months of the date on which it accrues, at the 15 discretion of the appointing authority. If an employee whose job 16 duties include providing fire protection services, law enforcement 17 services or services with the Department of Corrections is unable to 18 use excess leave as provided for in this paragraph because the 19 employee's request for leave is denied by the employee's appointing 20 authority and the denial of leave is due to extraordinary 21 circumstances such that taking leave could pose a threat to public 22 safety, health or welfare, the employee shall receive compensation 23 at the employee's regular rate of pay for the amount of excess leave 24

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1 the employee is unable to use. Such compensation shall be paid at 2 the end of the time period during which the excess leave was 3 required to have been used; 4 2. From November 1, 2001 On and after the effective date of 5 this act, the following accrual rates and accumulation limits apply 6 to eligible employees as follows:

ACCRUAL RATES 7 ACCUMULATION 8 LIMITS 9 Cumulative Years of Annual Sick Annual 10 11 Service Leave Leave Leave Persons employed 0-5 yrs = 15 day/yr 12 15 days/yr 30 days 5-10 yrs = 18 day/yr 15 days/yr 60 80 days 13 10-20 yrs = 20 day/yr 15 days/yr 60 80 days 14 over 20 yrs = 25 day/yr 15 days/yr 60 80 days 15 Following an emergency declaration as described in Section 683.8 16

of Title 63 of the Oklahoma Statutes, the accumulation limits for annual leave shall temporarily increase and shall carryover to the end of the fiscal year following the year in which the emergency declaration ended.

All annual leave that accrued or expired during the period of the emergency declarations issued by the Governor in 2020 and 2021 in response to the novel coronavirus (COVID-19) shall carry over to the end of the fiscal year following the year in which the emergency

1 declaration ended regardless of regulatory provisions that establish a maximum amount of annual leave that may be accumulated by an 2 employee of the State of Oklahoma this state. Expired annual leave 3 governed by this subsection shall be reinstated as of the effective 4 5 date of this act May 7, 2021, and accumulation limits for annual leave shall not apply to amounts accrued or reinstated pursuant to 6 this subsection. Eligibility for reinstatement of annual leave is 7 limited to employees currently employed by the State of Oklahoma 8 9 this state on the effective date of this act May 7, 2021;

Temporary employees and other limited term employees are
 ineligible to accrue, use, or be paid for sick leave and annual
 leave. Such employees shall be eligible for paid holiday leave at
 the discretion of the appointing authority;

4. Except as provided in paragraph 2 of this subsection,
employees shall not be entitled to retroactive accumulation of leave
as a result of amendments to this section;

5. The Director of the Office of Management and Enterprise Services shall assist agencies in developing policies to prevent violence in state government workplaces without abridging the rights of state employees. Such policies shall include a paid administrative leave provision as a cooling-off period which the Director of the Office of Management and Enterprise Services is authorized to provide pursuant to the Administrative Procedures Act.

Such leave shall not be charged to annual or sick leave
 accumulations;

6. State employees who terminated their employment in the state service on or after October 1, 1992, may be eligible to have sick leave accrued at the time of termination of employment restored if they return to state employment provided that the state employees' enter-on-duty dates for reemployment occur on or before two (2) years after their termination of employment and they are eligible to accrue sick leave before the two (2) years expire;

The Employees who are volunteer firefighters pursuant to the
 Oklahoma Volunteer Firefighters Act and who are called to fight a
 fire shall not have to use any accrued leave or need to make up any
 time due to the performance of their volunteer firefighter duties;

14 8. Employees who are reserve municipal police officers pursuant 15 to Section 34-101 of Title 11 of the Oklahoma Statutes and who miss 16 work in performing their duties in cases of emergency shall not have 17 to use any accrued leave or need to make up any time due to the 18 performance of their reserve municipal police officer duties; and

9. Employees who are reserve deputy sheriffs pursuant to
 Section 547 of Title 19 of the Oklahoma Statutes and who miss work
 in performing their duties in case of emergency shall not have to
 use any accrued leave or need to make up any time due to the
 performance of their reserve deputy sheriff duties; and

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1	10. For the purposes of computation required by this section,
2	any service performed by a person during which the person received
3	compensation for duties performed for the state shall be counted if
4	payment for such service was made using state fiscal resources. The
5	provisions of this subparagraph shall not apply to elected or
6	appointed justices or judges, including special judges, who perform
7	service in the trial or appellate courts. The provisions of this
8	section shall apply to persons who perform services as an
9	administrative law judge within the executive department and
10	employees of the judicial branch.
11	B. Nothing in law is intended to prevent or discourage an
12	appointing authority from disciplining or terminating an employee
13	due to abuse of leave benefits or absenteeism. Appointing
14	authorities are encouraged to consider attendance of employees in
15	making decisions regarding promotions, pay increases, and
16	discipline.
17	C. Upon the transfer of a function in state government to an
18	entity outside state government, employees may, with the agreement
19	of the outside entity, waive any payment for leave accumulations to
20	which the employee is entitled and authorize the transfer of the
21	leave accumulations or a portion thereof to the outside entity.
22	D. All permanent employees of the state shall be eligible to

23 <u>carry over a maximum of six hundred forty (640) hours of annual</u>

24 leave each year. Additionally, all employees shall be paid up to a

1 maximum of six hundred forty (640) hours of annual leave upon
2 separation from state service.

3	E. Any employee, including employees of the state, who makes an
4	agreement with an employer, including the state, whether in writing
5	or verbally, not to compete with the employer after the employment
6	relationship has been terminated, shall be permitted to engage in
7	the same business as that conducted by the former employer, or in a
8	similar business as that conducted by the former employer as long as
9	the former employee does not directly or indirectly, actively or
10	inactively, solicit the sale of goods, services, or a combination of
11	goods and services from the customers of the former employer or
12	independent contractors of the former employer. Any provision in a
13	contract between an employer and an employee in conflict with the
14	provisions of this section shall be void and unenforceable.
15	SECTION 3. REPEALER 15 O.S. 2021, Section 219A, is
16	hereby repealed.
17	SECTION 4. This act shall become effective July 1, 2023.
18	SECTION 5. It being immediately necessary for the preservation
19	of the public peace, health or safety, an emergency is hereby
20	declared to exist, by reason whereof this act shall take effect and
21	be in full force from and after its passage and approval.
22	COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS April 12, 2023 - DO PASS AS AMENDED BY CS
23	APITI IZ, 2023 - DO FASS AS AMENDED DI CS