

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB2376
Version:	CS
Request Number:	7904
Author:	Rep. Kannady
Date:	3/16/2023
Impact:	Potential Future Payout Expenses

Research Analysis

The committee substitute for HB2376 provides that any service performed by a person during which the person received compensation paid for from state fiscal resources for duties performed for the state, except within the judicial branch, is to be counted towards the service years used to determine longevity pay, leave accrual rates and leave accumulation limits. The measure also increases the annual leave accumulation and carryover limits for state employees with 5 or more years of service from 480 hours to 640 hours. Upon separation from a state employment, an employee may be paid for up to 640 hours of annual leave.

Prepared By: Quyen Do

Fiscal Analysis

HB 2376 adjusts the annual leave accumulation and carryover limits for state employees with 5 or more years of service as well as increases the payout of annual leave from a maximum of 480 hours to a maximum of 640 hours. Per the Office of Management and Enterprise Services (OMES), there are 4,771 state employees who currently have an excess of 480 hours of accrued annual leave and the estimated total payout of these hours is \$16,561,465. This would not have an immediate fiscal impact to the state however, as the increased payout amount limit would only be applicable when an employee leaves state employment. However, this increased cap would require state agencies to increase the amount they budget for annual leave payouts in order to cover possible future payouts.

Prepared By: Jay St Clair, House Fiscal Staff

Other Considerations

None.