

**BILL SUMMARY**  
1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB2376</b>
<b>Version:</b>	<b>PCS2</b>
<b>Request Number:</b>	<b>7665</b>
<b>Author:</b>	<b>Rep. Kannady</b>
<b>Date:</b>	<b>3/1/2023</b>
<b>Impact:</b>	<b>Potential Future Payout Expenses</b>

**Research Analysis**

The second proposed 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 60 days to 80 days. 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.