

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

HOUSE BILL 3964

By: Munson

AS INTRODUCED

An Act relating to state government employees;
amending 74 O.S. 2021, Section 840-2.23, as amended
by Section 18, Chapter 243, O.S.L. 2022 (74 O.S.
Supp. 2025, Section 840-2.23), which relates to state
employee leave; including stillborn deaths in
bereavement time; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 74 O.S. 2021, Section 840-2.23, as
amended by Section 18, Chapter 243, O.S.L. 2022 (74 O.S. Supp. 2025,
Section 840-2.23), is amended to read as follows:

Section 840-2.23. A. There is hereby created the state leave
sharing program. The purpose of the state leave sharing program is
to permit state employees to donate annual or sick leave to a fellow
state employee who has exhausted, or will exhaust, all types of paid
leave and:

1. Who is eligible for and requires family leave pursuant to
the provisions of the Family and Medical Leave Act, 29 U.S.C., 2601
et seq.;

1 2. Who is suffering from or has a relative or household member
2 suffering from an extraordinary or severe illness, injury,
3 impairment, or physical or mental condition which has caused or is
4 likely to cause the employee to take leave without pay or terminate
5 employment; or

6 3. Immediately after the death of a relative or household
7 member; provided that the total leave received for this purpose
8 shall not exceed five (5) days in any calendar year.

9 B. As used in this section:

10 1. "Relative of the employee" shall be limited to the spouse,
11 child, stepchild, stillborn, grandchild, grandparent, stepparent, or
12 parent of the employee;

13 2. "Household members" means those persons who reside in the
14 same home, who have reciprocal duties to and do provide financial
15 support for one another. This term shall include foster children
16 and legal wards even if they do not live in the household. The term
17 does not include persons sharing the same general house, when the
18 living style is primarily that of a dormitory or commune;

19 3. "Severe" or "extraordinary" means extreme or life-
20 threatening;

21 4. "State employee" means an employee with one (1) year or more
22 continuous service with the state. For the purposes of the state
23 leave sharing program, employees who are afforded protections under
24 the Civil Service and Human Capital Modernization Act and

1 administrative rules and exempted employees are eligible to
2 participate; and

3 5. "Terminal" means likely to result in death within two (2)
4 calendar years.

5 C. An employee may be eligible to receive shared leave pursuant
6 to the following conditions:

7 1. The chief administrative officer of the employee determines
8 that the employee meets the criteria described in this section; and

9 2. The employee has abided by state policies regarding the use
10 of leave.

11 D. An employee may not donate annual or sick leave to an
12 eligible employee without the permission of the chief administrative
13 officer of the donating employee's agency.

14 E. An employee may donate annual or sick leave to another
15 employee provided the donation does not cause the annual leave
16 balance of the employee to fall below eighty (80) hours and provided
17 the donation does not cause the sick leave balance of the employee
18 to fall below eighty (80) hours.

19 F. Except as otherwise provided for in this subsection, the
20 chief administrative officer of the employee shall determine the
21 amount of donated leave an employee may receive and may authorize an
22 employee to use up to a maximum of two hundred sixty-one (261) days
23 of donated leave during total state employment. If the employee is
24 suffering from an illness which has been certified in writing by a

1 licensed physician or health care practitioner as being terminal and
2 the employee who either has reached or shall reach in the near
3 future the maximum amount as set out in this subsection, the chief
4 administrative officer of the employee may approve additional
5 donated leave upon written request of the employee.

6 G. The chief administrative officer of the employee shall
7 require the employee to submit, prior to approval or disapproval of
8 shared leave pursuant to paragraph 1 of subsection A of this
9 section, a medical certificate from a licensed physician or health
10 care practitioner verifying the need for the leave and expected
11 duration of the illness, injury, impairment, or physical or mental
12 condition for which the leave is donated.

13 H. Donated annual or sick leave shall be transferable between
14 employees in different state entities. State entities shall allow
15 employees to receive donated annual or sick leave from employees
16 within their employing entity and different state entities;
17 provided, that the employee shall first exhaust all available leave
18 options within the state entity of the employee.

19 I. Donated annual or sick leave is transferable between
20 employees on an hour-to-hour basis irrespective of the hourly wage
21 of the donating or receiving employee.

22 J. Any donated leave may only be used by the recipient for the
23 purposes specified in this section.

1 K. All forms of paid leave available for use by the recipient
2 must be used prior to using donated leave.

3 L. Any donated leave not used by the recipient during each
4 occurrence as determined by the chief administrative officer of the
5 employee shall be returned to the donor. The donated leave
6 remaining will be divided among the donors on a prorated basis based
7 on the original donated value and returned at its original donor
8 value and reinstated to the original leave balance of each donor.

9 M. All donated leave must be given voluntarily. No employee
10 shall be coerced, threatened, intimidated, or financially induced
11 into donating annual or sick leave for purposes of the leave sharing
12 program.

13 N. Except as provided by subsection P of this section,
14 employees may not donate annual or sick leave that the donor would
15 not be able to otherwise take.

16 O. The Human Capital Management Division of the Office of
17 Management and Enterprise Services shall designate an employee to
18 serve as the shared leave liaison. If a qualifying employee is
19 unable to obtain the necessary number of donated leave hours from
20 his or her employing entity, he or she may contact the shared leave
21 liaison. The shared leave liaison shall have the following
22 responsibilities:

23 1. To inform all state agencies of the requirements of this
24 section;

1 2. To inform all state employees of the rights afforded under
2 this section;

3 3. To ensure an employee requesting shared leave from other
4 state entities meets the criteria set forth in this section;

5 4. To coordinate outreach efforts within the employing agency
6 and to other state entities to obtain all necessary hours of shared
7 leave for the employee;

8 5. To ensure an employee has exhausted all sources of shared
9 leave both within his or her employing entity and other state
10 entities before requesting leave from the Leave of Last Resort Bank;
11 and

12 6. To coordinate leave requested from the Leave of Last Resort
13 Bank.

14 P. There is hereby created a Leave of Last Resort Bank. In the
15 event a qualifying employee is unable to secure shared leave from
16 employees within his or her employing entity or within a different
17 entity, an employee may request leave from the Leave of Last Resort
18 Bank. The Leave of Last Resort Bank shall be administered by the
19 Human Capital Management Division of the Office of Management and
20 Enterprise Services.

21 1. The Leave of Last Resort Bank shall be funded by voluntary
22 donations of annual and sick leave from employees retiring from or
23 leaving state service.

1 2. Upon retirement or the final day of state service, an
2 employee shall elect, in writing, whether any of his or her annual
3 or sick leave shall be deposited into the Leave of Last Resort Bank.

4 Q. The Office of Management and Enterprise Services shall
5 promulgate rules and regulations as necessary to carry out the
6 provisions of this section.

7 SECTION 2. This act shall become effective November 1, 2026.

8

9 60-2-15249 TKR 01/12/26

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24