

Department of Planning and Budget 2001 Fiscal Impact Statement

1. Bill Number SB848

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Couric

3. Committee General Laws

4. Title Governor; severance benefit for appointed officials.

5. Summary/Purpose:

This bill provides that the Governor, in his discretion, may provide gubernatorial appointees a severance benefit no greater than an amount equivalent to two weeks of salary for every consecutive year of service in the appointed position, not to exceed a total of 16 weeks of salary. This bill is identical to HB 1757.

6. Fiscal Impact Estimates are: Indeterminate

7. Budget amendment necessary: No

8. Fiscal implications: It is difficult to forecast the number of appointed officials that will be released from employment in any given year. In many years, there may be no such occurrences while in other years there may be a few. Therefore, the calculation of an exact fiscal impact is not possible.

9. Specific agency or political subdivisions affected:

The Office of the Governor, and any state agency with officials appointed by the Governor.

10. Technical amendment necessary: No

11. Other comments: The current policy issued by the Department of Human Resource Management (DHRM) regarding severance for executive branch employees is as follows:

Years of Consecutive Service	Amount of Benefit
2 years or less	4 weeks' salary
3 years through 9 years	4 weeks' salary plus 1 additional week for every year over 2
10 years through 14 years	12 weeks' salary plus 2 additional weeks for every year over 9
15 years or more	2 weeks per year not to exceed 36 weeks of salary

The DHRM policy refers to number of consecutive years of service in state government while the proposed bill counts only the number of consecutive years in one position. In addition, the DHRM

policy sets the maximum salary benefit at 36 weeks of pay while the proposed bill sets the maximum for Gubernatorial appointees at 16 weeks.

Date: 01/09/01 jdh

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cc: Secretary of Administration

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