

Department of Planning and Budget 2003 Fiscal Impact Statement

1. Bill Number HB1916

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron Almand

3. Committee Passed Both Houses

4. Title Use of accrued annual leave for military service.

5. Summary/Purpose: This bill requires the Department of Human Resource Management to develop personnel policies that permit any full-time state employee who is also a member of the organized reserve force to carry forward from year to year his accrued annual leave time without regard to the regulation or policy of his agency regarding the maximum number of hours allowed to be carried forward. Any leave time over the usual amount allowed to be carried forward shall be reserved for use only as leave taken pursuant to active military service. Any leave carried forward remaining upon termination of employment shall not be paid or credited in any way to the employee.

6. Fiscal Impact: See Item 8 below

7. Budget amendment necessary: No

8. Fiscal implications: There is a potential for a small fiscal impact in a limited number of situations. Specifically, there could be an impact to the budgets of those agencies that operate on a 24 hours a day, 7 days a week schedule. Agencies such as the Department of Corrections, Department of Juvenile Justice, Mental Health facilities, Mental Retardation facilities and the State Police have employees that fall in this category.

In the case of these agencies with 24-hour operations, there will be a requirement to either bring in new employees or increase the level of overtime in order to back-fill the loss of those individuals ordered to active duty. While it is true that the agency already has the compensation of the individual out on leave in their budget, it is possible that the overtime payments and the need to hire additional personnel will expend this amount. This bill adds to the potential amount that an employee would receive in the form of annual leave payments while activated which would reduce the amount available to the agency to use for overtime payments and/or the hiring of new employees.

Current Department of Human Resource Management policy complies with the provisions of this bill in that the policy allows state employees to apply all annual leave balance to the period of absence due to military service. The change that this bill creates is that for some individuals, the amount that can be credited against their military service absence will be larger and in the case of agencies with 24 -7 operations, a potential for added fiscal impact is the result. However, such an impact would most likely be small due to the fact that the added impact would only occur in cases where the employee has a leave balance above the current maximum carry-over amount.

In state functions not involving 24-7 operations, responsibilities can be spread among other employees and the need for back -filling the loss of those individuals ordered to active duty should not be necessary for the most part. In these cases, the agency has the entire salary amount in their budget in which to make the additional leave payments and should therefore have no additional impact on agency resources.

9. Specific agency or political subdivisions affected: All executive branch agencies in particular agencies that have 24 hours a day, 7 days a week operations.

10. Technical amendment necessary: No

11. Other comments: None

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cc: Secretary of Administration