

SUBJECT: Increasing state employees' vacation leave and maximum carryover

COMMITTEE: Appropriations — favorable, without amendment

VOTE: 23 ayes — Junell, West, Coleman, Delisi, Gallego, Glaze, Gutierrez, Hamric, Heflin, Maxey, Puente, Allen, Eiland, Farrar, Flores, Giddings, Hochberg, T. King, Luna, McReynolds, Pickett, Pitts, Smith

0 nays

4 absent — P. Moreno, Mowery, S. Turner, Janek

WITNESSES: For — Chris W. Jones, Combined Law Enforcement Associations of Texas and Texas State Troopers Union

Against — None

BACKGROUND: A graduated accrual and carryover scale for annual vacation leave applies to full-time state employees based on longevity, capped at 20 hours per month for employees with at least 35 years' total service. Employees may carry a maximum 168 to 520 hours of unused vacation, depending on longevity, into a new fiscal year. Employees with less than two years' total service accrue seven hours of annual vacation leave per month. When a fiscal year ends, they may retain no more than 168 hours of unused vacation leave. Employees with at least 15 but less than 20 years accrue 13 hours a month and may retain up to 328 hours.

In 1999, the 76th Legislature increased vacation leave accrual for employees with 20 or more years' service. Employees with less than 20 years' service have not had a vacation leave increase since 1976.

DIGEST: HB 568 would increase by one hour per month the amount of annual vacation leave accrued by all full-time state employees. It would increase by 12 hours the maximum amount of unused vacation leave employees may carry forward from one fiscal year to the next.

The following chart illustrates the proposed changes by employee category:

HB 568
House Research Organization
page 2

<u>Years of Employment</u>	<u>Hours Accrued Monthly</u>	<u>Carryover Hours</u>
less than 2	8	180
at least 2 but less than 5	9	244
at least 5 but less than 10	10	268
at least 10 but less than 15	11	292
at least 15 but less than 20	13	340
at least 20 but less than 25	15	388
at least 25 but less than 30	17	436
at least 30 but less than 35	19	484
at least 35 years or more	21	532

This bill would take effect September 1, 2001.

NOTES:

The bill's fiscal note estimates a cost to the state of \$2.8 million in fiscal 2002-03, including about \$2 million from general revenue. The comptroller based the latter figure on an estimate of accrued vacation leave compensation paid to state employees who retire or otherwise leave state employment.