

Proposed 2007 Session Legislation

Agency Name: Agency No:

Priority Number: Filename:

Short Title:

Agency Contact Person/Phone:

1. Purpose:
Placeholder to address two significant leave liability issues: 1) Pool to fund annual and excess annual leave payoffs upon termination; and 2) excess leave carryover.

2. Background:
There is a significant interest among agencies to alleviate the cost burden faced when long-term employees terminate and the position must remain open for months in order to fund the payoff of accrued annual and excess annual leave. One option is to create a pool funded by agencies that would be used to cash out accrued balances upon retirement or termination. In addition, there is a disparity in the payment of accrued excess leave upon termination. Statutory clarification in 2-18-617, MCA is needed to provide agencies and employees better direction in the fair and consistent treatment of this unfunded liability.

3. Fiscal Impact by Fund Type: *This impact should be as specific as possible.*
\$6 million to \$8 million is anticipated but a more detailed cost analysis will need to be calculated if the department is interested in this legislation.

4. Summary Checklist [Check & complete all that apply]--

Housekeeping Only
 Federal Requirement
 Audit Recommendation (Audit No.)
 Major Legislation

Anticipated to be Controversial Legislation
 Bill Draft has been included in Legislation Submittal (if available)

Supports Submitted EPP Item Number:
 Local Government Fiscal Impact

Increases FTE, or
 Decreases FTE by

List FTE amount and program

Increases Existing Revenue
 Tax
 Fee
 Penalty [amount in #3]

Decreases Existing Revenue
 Tax
 Fee
 Penalty [amount in #3]

Establishes New Revenue
 Tax
 Fee
 Penalty [amount in #3]

Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no):

Legislation would affect other state agencies (list):
Creation of pool to fund payouts of annual leave upon termination would affect all state agencies. Change in the administration of excess annual leave would impact all public employers.

Special Interest Groups Affected (list):
Union labor organizations

Other: