An Act

(1ST EXTRAORDINARY SESSION)
ENROLLED HOUSE
BILL NO. 1027

By: Wallace and Martinez of the House

and

Thompson (Roger) and Hall of the Senate

An Act relating to state government; amending 74 O.S. 2021, Sections 840-2.18, as amended by Section 14, Chapter 243, O.S.L. 2022, and 840-2.20, as amended by Section 16, Chapter 243, O.S.L. 2022 (74 O.S. Supp. 2022, Sections 840-2.18 and 840-2.20), which relate to the Oklahoma Personnel Act; modifying definitions; modifying provisions related to longevity payments; modifying leave benefits; increasing accumulation limits; authorizing option for payment of certain leave; modifying provisions related to computation of service; providing an effective date; and declaring an emergency.

SUBJECT: State government

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

SECTION 1. AMENDATORY 74 O.S. 2021, Section 840-2.18, as amended by Section 14, Chapter 243, O.S.L. 2022 (74 O.S. Supp. 2022, Section 840-2.18), is amended to read as follows:

Section 840-2.18 A. A longevity pay plan is hereby adopted. This plan applies to all state employees, excluding members of boards and commissions, institutions under the administrative

authority of the Oklahoma State Regents for Higher Education, employees of public school districts, and elected officials. The plan shall also apply to those employees of the Oklahoma School for the Blind and the Oklahoma School for the Deaf who qualify for longevity pay in accordance with subsection G of Section 1419 of Title 10 of the Oklahoma Statutes.

B. The Oklahoma Conservation Commission is hereby authorized to establish a longevity pay program for employees of the conservation districts employed under Section 3-3-103 of Title 27A of the Oklahoma Statutes. Such longevity pay program shall be consistent with the longevity pay program for state employees authorized under this title and payments shall be made in a manner consistent with procedures for reimbursement to conservation districts.

C. To be eligible for longevity pay, employees must have been continuously employed in the service of the state for a minimum of two (2) years in full-time status or in part-time status working more than one thousand (1,000) hours a year.

For purposes of this section, a break in service of thirty (30) calendar days or less shall not be considered an interruption of continuous service; a break in service of more than thirty (30) calendar days shall mark an end to continuous service. The legislative session employees who have worked for two (2) years or more in part-time status and are eligible for state retirement benefits, but do not receive other longevity payments, shall be eligible and shall be considered to have been continuously employed for purposes of calculating longevity payments, notwithstanding the provisions of subsection E of this section.

D. 1. Longevity pay for the first twenty (20) years of service shall be determined pursuant to the following schedule:

Years of Service	Annual Longevity Payment
At least 2 years but less than 4 years	$250.00
At least 4 years but less than 6 years	$426.00
At least 6 years but less than 8 years	$626.00

At least 8 years but less than 10 years	$850.00
At least 10 years but less than 12 years	$1,062.00
At least 12 years but less than 14 years	$1,250.00
At least 14 years but less than 16 years	$1,500.00
At least 16 years but less than 18 years	$1,688.00
At least 18 years but less than 20 years	$1,900.00
At least 20 years	$2,000.00

2. For each additional two (2) years of service after the first twenty (20) years an additional Two Hundred Dollars ($200.00) shall be added to the amount stated above for twenty (20) years of service.

The total amount of the annual longevity payment made to an employee by any and all state agencies in any year shall not exceed the amount shown on the table corresponding to that employee's years of service with the state, except as otherwise provided by Section 840-2.28 of this title. Further, no employee shall receive duplicating longevity payments for the same periods of service with any and all agencies, except as otherwise provided by Section 840-2.28 of this title.

E. To determine years of service, cumulative periods of full-time employment or part-time employment working more than one hundred fifty (150) hours per month with the state excluding service as specified in subsection A of this section are applicable. Part-time employment, working one hundred fifty (150) hours per month or less for the state, excluding service as specified in subsection A of this section, shall be counted only if:

1. The period of employment was continuous for at least five (5) months; and

2. a. The person worked more than two-fifths (2/5) time.

Other employment shall not be counted as service for purposes of longevity payments. Further, no period of employment with the state, whether with one or more than one agency, shall be counted as more than full-time service.

b. For purposes of the computation required by this section, any service performed by a person during which the person received compensation for duties performed for the state shall be counted if payment for such service was made using state fiscal resources. The provisions of this paragraph shall not apply to elected or appointed justices or judges, including special judges, who perform services in the trial or appellate courts. The provisions of this section shall apply to persons who perform services as an administrative law judge within the executive department and employees of the judicial branch.

F. Years of service under the administrative authority of the Oklahoma State Regents for Higher Education or the administrative authority of the Oklahoma Department of Career and Technology Education of any employee who is now employed in a job classification which is eligible for longevity pay shall be included in years of service for purposes of determining longevity pay.

G. Years of service shall be certified through the current employing agency by the appointing authority on a form approved by the Office of Management and Enterprise Services. The form shall be completed and posted as directed by the Director of the Office of Management and Enterprise Services by the current employing agency when the employee initially enters on duty with the agency and thereafter whenever the employee's anniversary date is changed.

H. Eligible employees, in full-time status or in part-time status working more than one hundred fifty (150) hours per month, shall receive one (1) lump-sum annual payment, in the amount provided on the preceding schedule, during the month following the anniversary date of the employee's most recent enter-on-duty day with the state. Upon implementation of the statewide information systems project, the lump-sum annual payment may be paid concurrent with the final payroll of the month of the employee's anniversary date. Eligible part-time employees who work one hundred fifty (150) hours per month or less shall receive one (1) lump-sum annual

payment, based on the formula in subsection L of this section, during the month following the anniversary date of the employee's most recent enter-on-duty day with the state. To receive longevity pay an employee must be in pay status on or after his or her anniversary date.

Eligible employees who would not otherwise receive annual longevity payments because their employment includes regular periods of leave without pay in excess of thirty (30) calendar days shall receive one (1) lump-sum annual payment, based on the formula in subsection L of this section, during:

1. The month of August if the employee is in pay status on July 1; or

2. During the month following the employee's first return to duty that fiscal year if the employee is not in pay status on July 1.

Except as otherwise provided by Section 840-2.28 of this title, employees terminated as a result of a reduction-in-force or retiring from state employment shall receive upon said termination or retirement the proportionate share of any longevity payment which may have accrued as of the date of termination or retirement. Provided further that, the proportionate share of any longevity payment which may have accrued as of the date of death of an employee shall be made to the surviving spouse of the employee or if there is no surviving spouse to the estate of the employee.

I. Periods of leave without pay taken in accordance with Section 840-2.21 of this title shall be counted as service. Other periods of nonpaid leave status in excess of thirty (30) calendar days shall not mark a break in service; however, they shall:

1. Not be used in calculating total months of service for longevity pay purposes; and

2. Extend the anniversary date for longevity pay by the total period of time on nonpaid leave status except as provided in subsection H of this section for employees whose conditions of employment include regular periods of leave without pay.

J. Employees currently receiving longevity pay ~~who work for the judicial branch of state government or~~ who work for the Oklahoma

Department of Career and Technology Education shall not be eligible for the longevity pay plan provided for in this section.

K. A break in service with the state in excess of thirty (30) days but which does not exceed two (2) years which was caused by a reduction-in-force shall be treated as if it were a period of nonpaid leave status as provided for in subsection I of this section for the purpose of calculating total months of service for longevity pay. This subsection shall only apply to state employees laid off after June 30, 1982.

L. Eligible part-time employees working less than one hundred fifty (150) hours per month and other eligible employees with regular annual periods of leave without pay of more than thirty (30) calendar days will receive a prorated share of the "Annual Longevity Payment" authorized in subsection D of this section. The prorated amount of payment will be based on actual hours worked in the immediately preceding twelve (12) months.

M. An employee shall not be entitled to retroactive longevity payments as a result of amendments to this section unless specifically authorized by law.

N. The Director of the Office of Management and Enterprise Services is authorized to promulgate such Longevity Pay Plan Rules as he or she finds necessary to carry out the provisions of this section.

O. As of July 1, 1998, years of service with a city-county health department for employees who left a city-county health department for employment with the Department of Environmental Quality or the Oklahoma Department of Agriculture, Food, and Forestry, between July 1, 1993, and July 1, 1998, and who are now employed in a job classification that is eligible for longevity pay pursuant to this section, shall be included in years of service for purposes of determining longevity pay subsequent to July 1, 1998.

P. As of July 1, 2003, years of service with a local conservation district shall be included in years of service for purposes of determining longevity pay for local conservation district employees transferred to the Oklahoma Conservation Commission pursuant to the provisions of this section.

SECTION 2. AMENDATORY 74 O.S. 2021, Section 840-2.20, as amended by Section 16, Chapter 243, O.S.L. 2022 (74 O.S. Supp. 2022, Section 840-2.20), is amended to read as follows:

Section 840-2.20 A. The Director of the Office of Management and Enterprise Services shall promulgate such emergency and permanent rules regarding leave and holiday leave as are necessary to assist the state and its agencies.

The Director of the Office of Management and Enterprise Services, in adopting new rules, amending rules and repealing rules, shall ensure that the following provisions are incorporated:

1. Eligible employees who enter on duty or who are reinstated after a break in service shall receive leave benefits in accordance with the schedule outlined below. Leave shall be accrued based upon hours worked, paid leave, and holidays, but excluding overtime, not to exceed the total possible work hours for the pay period. Years of service shall be based on cumulative periods of employment calculated in the manner that cumulative service is determined for longevity purposes pursuant to Section 840-2.18 of this title. Employees may accumulate more than the maximum annual leave accumulation limits shown in the schedule below provided that such excess is used during the same calendar year in which it accrues or within twelve (12) months of the date on which it accrues, at the discretion of the appointing authority. If an employee whose job duties include providing fire protection services, law enforcement services or services with the Department of Corrections is unable to use excess leave as provided for in this paragraph because the employee's request for leave is denied by the employee's appointing authority and the denial of leave is due to extraordinary circumstances such that taking leave could pose a threat to public safety, health or welfare, the employee shall receive compensation at the employee's regular rate of pay for the amount of excess leave the employee is unable to use. Such compensation shall be paid at the end of the time period during which the excess leave was required to have been used;

2. ~~From November 1, 2001,~~ On and after the effective date of this act, the following accrual rates and accumulation limits apply to eligible employees as follows:

ACCRUAL RATES ACCUMULATION

LIMITS

	Cumulative Years of Service		Annual Leave	Sick Leave	Annual Leave
Persons employed	0-5 yrs	=	15 day/yr	15 days/yr	30 days
	5-10 yrs	=	18 day/yr	15 days/yr	~~60~~ 80 days
	10-20 yrs	=	20 day/yr	15 days/yr	~~60~~ 80 days
	over 20 yrs	=	25 day/yr	15 days/yr	~~60~~ 80 days

Following an emergency declaration as described in Section 683.8 of Title 63 of the Oklahoma Statutes, the accumulation limits for annual leave shall temporarily increase and shall carryover to the end of the fiscal year following the year in which the emergency declaration ended.

All annual leave that accrued or expired during the period of the emergency declarations issued by the Governor in 2020 and 2021 in response to the novel coronavirus (COVID-19) shall carry over to the end of the fiscal year following the year in which the emergency declaration ended regardless of regulatory provisions that establish a maximum amount of annual leave that may be accumulated by an employee of ~~the State of Oklahoma~~ this state. Expired annual leave governed by this subsection shall be reinstated as of ~~the effective date of this act~~ May 7, 2021, and accumulation limits for annual leave shall not apply to amounts accrued or reinstated pursuant to this subsection. Eligibility for reinstatement of annual leave is limited to employees currently employed by ~~the State of Oklahoma~~ this state on ~~the effective date of this act~~ May 7, 2021;

3. Temporary employees and other limited term employees are ineligible to accrue, use, or be paid for sick leave and annual leave. Such employees shall be eligible for paid holiday leave at the discretion of the appointing authority;

4. Except as provided in paragraph 2 of this subsection, employees shall not be entitled to retroactive accumulation of leave as a result of amendments to this section;

5. The Director of the Office of Management and Enterprise Services shall assist agencies in developing policies to prevent violence in state government workplaces without abridging the rights of state employees. Such policies shall include a paid administrative leave provision as a cooling-off period which the Director of the Office of Management and Enterprise Services is authorized to provide pursuant to the Administrative Procedures Act. Such leave shall not be charged to annual or sick leave accumulations;

6. State employees who terminated their employment in the state service on or after October 1, 1992, may be eligible to have sick leave accrued at the time of termination of employment restored if they return to state employment provided that the state employees' enter-on-duty dates for reemployment occur on or before two (2) years after their termination of employment and they are eligible to accrue sick leave before the two (2) years expire;

7. Employees who are volunteer firefighters pursuant to the Oklahoma Volunteer Firefighters Act and who are called to fight a fire shall not have to use any accrued leave or need to make up any time due to the performance of their volunteer firefighter duties;

8. Employees who are reserve municipal police officers pursuant to Section 34-101 of Title 11 of the Oklahoma Statutes and who miss work in performing their duties in cases of emergency shall not have to use any accrued leave or need to make up any time due to the performance of their reserve municipal police officer duties; ~~and~~

9. Employees who are reserve deputy sheriffs pursuant to Section 547 of Title 19 of the Oklahoma Statutes and who miss work in performing their duties in case of emergency shall not have to use any accrued leave or need to make up any time due to the performance of their reserve deputy sheriff duties; and

10. For purposes of the computation required by this section, any service performed by a person during which the person received compensation for duties performed for the state shall be counted if payment for such service was made using state fiscal resources. The provisions of this section shall not apply to elected or appointed justices or judges, including special judges, who perform service in the trial or appellate courts. The provisions of this section shall apply to persons who perform services as an administrative law judge within the executive department and employees of the judicial branch.

B. Nothing in law is intended to prevent or discourage an appointing authority from disciplining or terminating an employee due to abuse of leave benefits or absenteeism. Appointing authorities are encouraged to consider attendance of employees in making decisions regarding promotions, pay increases, and discipline.

C. Upon the transfer of a function in state government to an entity outside state government, employees may, with the agreement of the outside entity, waive any payment for leave accumulations to which the employee is entitled and authorize the transfer of the leave accumulations or a portion thereof to the outside entity.

D. All permanent employees of the state shall be eligible to carry over a maximum of six hundred forty (640) hours of annual leave each year. Additionally, all employees shall be paid up to a maximum of six hundred forty (640) hours of annual leave upon separation from state service.

SECTION 3. This act shall become effective July 1, 2023.

SECTION 4. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 24th day of May, 2023.

Presiding Officer of the House
of Representatives

Passed the Senate the 26th day of May, 2023.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 26th

day of May, 20 23, at 4:14 o'clock p. M.

By: [illegible]

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 2nd

day of June, 20 23, at 9:48 o'clock AM M.

By: [illegible]

OFFICE OF

THE GOVERNOR
STATE OF OKLAHOMA

No. HB 1027x

OKLAHOMA CITY, OKLA., June 2, 20 23

TIME SIGNED: _____

TO THE HONORABLE SPEAKER OF THE HOUSE
AND MEMBERS OF THE OKLAHOMA HOUSE OF REPRESENTATIVES
FIRST ***EXTRAORDINARY*** SESSION OF THE
FIFTY-NINTH OKLAHOMA LEGISLATURE

ENROLLED HOUSE BILL NO. 1027x:

Both because I support fiscal discipline and strongly oppose an increase in recurring expenditures, and because I am disheartened by other aspects of the budget package, I have not signed House Bill 1027x.

Subject to objections to the unique process by which the Bill made its way to my desk, the Bill will become law without signature.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

_____

Delivered to HOUSE by: Summer Cerny
Date/Time: 6/2/23; 11:31am

HOUSE:
By Kris Mathison
Date/Time 6/2/23 11:41 am

RECEIVED
JUN 02 2023
OKLAHOMA SECRETARY
OF STATE