

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 689 - HB 900

March 2, 2019

SUMMARY OF BILL: Authorizes longevity pay for state employees of the executive branch hired after June 30, 2015.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$1,537,600

Assumptions:

- Longevity awards tenure of employees by paying \$100 for each year of state service and is awarded annually after an employee completes three years of qualifying state service.
- Pursuant to Tenn. Code Ann. § 8-23-206(d)(6), executive branch employees hired after June 30, 2015, are currently not eligible to receive longevity pay. Authorizing such employees to receive longevity pay will result in a recurring increase in state expenditures beginning in FY19-20.
- Based on information provided by the Department of Human Resources, there are currently 33,865 full-time active employees in the executive branch, with 10,728 of those hired after June 30, 2015. The total recurring increase in state expenditures for the 10,728 full-time active employees hired after June 30, 2015 to receive longevity pay is estimated exceed \$1,537,600.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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