

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6397
BILL NUMBER: HB 1092

NOTE PREPARED: Jan 19, 2007
BILL AMENDED: Jan 18, 2007

SUBJECT: Military Family Leave.

FIRST AUTHOR: Rep. Avery
FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill establishes an unpaid leave of absence of up to 10 days for the spouse or parent of a person ordered to involuntary active duty in the United States armed forces or the National Guard for deployment overseas. The bill requires an employee to provide notice before taking the leave. It allows an employer to require verification of employee's eligibility for the leave.

It also requires an employee to be restored to the position that the employee held before the leave or to an equivalent position. The bill requires an employer to permit an employee who is taking a leave to continue the employee's health care benefits at the employee's expense. The bill also allows the employer and the employee to negotiate to have the employer pay for the benefits. It provides legal and equitable remedies for violations.

Effective Date: July 1, 2007.

Explanation of State Expenditures: (Revised) The bill requires an employer who employs at least 50 employees for each working day during each of at least 20 calendar workweeks to allow certain employees that are either a parent or spouse of a person who is ordered to involuntary active duty. The bill would affect state and political subdivisions of the state.

Certain employees are entitled to an unpaid leave of absence during: (1) the 30 days before involuntary active duty orders are in effect; (2) a period of leave while involuntary active duty orders are in effect; (3) the 30 days after the involuntary active duty orders are terminated. The leave may not exceed 10 days annually. Employees are responsible for paying their own benefits while on family military leave. Family military leave is in addition to regular vacation, sick, or other leave, including additional military family leave offered at

the discretion of an employer, to which an employee is entitled.

The bill allows an employee who is denied family military leave to bring a civil action against their employer.

This bill could result in indeterminable productivity losses which may occur from current staff having to absorb the temporary workload changes or the productivity losses which might occur when an employee takes unpaid leave. This impact could occur in both state and local government agencies.

Background Information: During CY 2006, there were approximately 21,300 involuntary active duty U.S. armed forces who claimed Indiana as their state of residence. There were approximately 2,400 Indiana National Guard members on involuntary active duty. [*Note:* These figures would be reduced by the number of armed forces or Indiana National Guard members who volunteered to be deployed or called. This number is not known.]

Explanation of State Revenues:

Explanation of Local Expenditures: See *Explanation of State Expenditures*.

Explanation of Local Revenues:

State Agencies Affected: All state agencies.

Local Agencies Affected: Political subdivisions.

Information Sources: Lt. Col Gerald Hadley, Office of the Adjutant General; Rejeanna White, Indiana National Guard; Tom Applegate, Indiana Department of Veterans' Affairs.

Fiscal Analyst: Sarah Brooks, 317-232-9559.