

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 15, 2023

TO: Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB222 by Nichols (relating to paid leave by certain state employees for the birth or adoption of a child.), **Committee Report 1st House, Substituted**

The fiscal implications of the bill cannot be determined, because the number of employees likely to take paid leave under the provisions of the bill is unknown.

Texas Government Code Sec. 661.912 entitles a state employee, under certain circumstances, to 12 weeks of leave under the federal Family and Medical Leave Act of 1993, as required under federal law.

The bill would provide a state employee with 30 days of paid leave during the employee's period of FMLA leave following the birth of a child, the birth of a child by gestational surrogacy, or the adoption of a child. The bill would also entitle a state employee to 10 days of paid leave during an employee's period of FMLA leave following the birth of a child by the employee's spouse.

The number of employees likely to take paid leave under the provisions of the bill is unknown. For this reason, the fiscal implications of the bill cannot be determined.

For the purposes of illustration, the Texas Higher Education Coordinating Board (THECB) reports that the average annual salary of an employee at THECB is \$87,620.99. Assuming an employee earning the average salary took 30 days of leave that otherwise would have taken unpaid leave, the increased compensation paid to that employee would be \$10,111.20. If the employee took 10 days of paid leave, the increased compensation paid to the employee would be \$3,370.40.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JMc, SZ, THO, JCo