State Employee Furloughs

This Act sets criteria for furloughing state employees.

Submitted as:
South Carolina
H3378/Act No. 8
Status: Enacted into law in 2009.

Suggested State Legislation

(Title, enacting clause, etc.)

Section 1. [Short Title.] This Act shall be cited as “An Act to Establish Guidelines for Furloughing State Employees.”

Section 2. [Guidelines for Furloughing State Employees.]

(A) In a fiscal year in which the general funds appropriated for a state agency are less than the general funds appropriated for that agency in the prior fiscal year, or in a fiscal year in which an agency that is funded by other funds and projects the collection of those funds to be less than in the prior fiscal year, or whenever the [General Assembly] or the [state budget and control board] implements a midyear across-the-board budget reduction, agency heads may institute employee furlough programs of not more than [ten working days in the fiscal year in which the deficit is projected to occur]. The furlough program must:

(1) include all employees in an agency or within a designated department or program regardless of source of funds or place of work, including all classified and unclassified employees in the designated area; or

(2) be based upon pay band for classified employees and based upon pay rate for unclassified employees within the agency or designated department respectively. If the state agency will incur costs for overtime under the federal Fair Labor Standards Act, [law enforcement employees and correctional employees] may be exempted from a mandatory furlough.

(B) [Employees who provide direct patient or client care and front-line employees who deliver direct customer services] may be exempted from a mandatory furlough. The mandatory furlough must include the agency head. [Constitutional officers] are exempt from mandatory furlough.

(C) Scheduling of furlough days, or portions of days, shall be at the discretion of the agency head, but under no circumstances should the agency close completely. During this furlough, affected employees shall be entitled to participate in the same state benefits as otherwise available to them except for receiving their salaries.

(D) As to those benefits that require employer and employee contributions, including but not limited to contributions to the [state retirement system] or the [optional retirement program], the state agencies, institutions, and departments are responsible for making both employer and employee contributions if coverage would otherwise be interrupted; and as to those benefits which require only employee contributions, the employee remains solely responsible for making those contributions.

(E) Placement of an employee on furlough under this provision does not constitute a grievance or appeal under the state [Employee Grievance Procedure Act].
(F) In the event the reduction for the state agency, institution, or department is due solely to the [General Assembly] transferring or deleting a program, this section does not apply.

(G) The implementation of a furlough program authorized by this Act shall be on an agency-by-agency basis. Agencies may allocate the employee’s reduction in pay over the balance of the fiscal year for payroll purposes regardless of the pay period within which the furlough occurs. In the event that an agency implements both a voluntary furlough program and a mandatory furlough program during the fiscal year, furlough days taken voluntarily shall count toward furlough days required by the mandatory furlough.

(H) The [state budget and control board] shall promulgate guidelines and policies, as necessary, to implement the provisions of this Act.

(I) State agencies shall report information about furloughs to the [office of human resources of the state budget and control board].

(J) The [office of human resources of the state budget and control board] must provide consultation and guidance to each state agency implementing a furlough or reduction in force regarding the long term career development of its employees and the potential financial benefit of implementing a furlough program or reduction in force.

(K) The provisions of this Act do not apply to employees of those state agencies or institutions covered by [insert citation], and [insert citation] continues to apply to those employees in the manner provided by law.

Section 3. **Severability.** [Insert severability clause.]

Section 4. **Repealer.** [Insert repealer clause.]

Section 5. **Effective Date.** [Insert effective date.]