



# House of Representatives

General Assembly

**File No. 68**

*January Session, 2005*

Substitute House Bill No. 6762

*House of Representatives, March 24, 2005*

The Committee on Labor and Public Employees reported through REP. RYAN, K. of the 139th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***AN ACT ALLOWING RETENTION OF PAID VACATION DAYS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2005*) If an employer, excluding  
2 the state, municipalities, local or regional boards of education, or a  
3 private or parochial elementary or secondary school, provides paid  
4 vacation days to its employees, and an employee of such employer  
5 does not use all of his or her paid vacation days during the calendar  
6 year in which such days accrue, the employee (1) shall have one  
7 additional calendar year from the last day of the calendar year in  
8 which such vacation days accrued to use such vacation days, or (2)  
9 may elect, not later than sixty days after the end of the calendar year in  
10 which such unused days accrued, (A) to receive a lump sum payment  
11 from the employer equal to, for each unused vacation day, the  
12 employee's base pay per day at the time such vacation day accrued, or  
13 (B) to receive a combination of both the alternatives described in  
14 subdivision (1) and subparagraph (A) of subdivision (2) of this section,

15 not to exceed the use of and payment for the number of unused  
16 accrued vacation days. Nothing in this section shall be deemed to  
17 require any employer to provide paid vacation days or to impair or  
18 alter the provisions of any collective bargaining agreement relating to  
19 the provision or use of vacation days.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2005</i>	New section

**LAB**      *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** None

**Explanation**

The bill, which exempts the state and municipalities from the requirement to carry over employee vacation accruals for up to a year, has no fiscal impact.

**OLR Bill Analysis**

sHB 6762

**AN ACT ALLOWING RETENTION OF PAID VACATION DAYS****SUMMARY:**

The bill requires employers that provide employees with paid vacation to allow employees to keep accrued and unused vacation time beyond the calendar year when it accrued. Current law does not regulate use of paid vacation time.

Under the bill, an employee must be given one additional calendar year to use the accrued time or the employee may, within 60 days of the start of the new year, elect to either (1) receive a lump sum payment for the unused vacation days or (2) choose a combination of payment for unused time and ability to use the remainder of the accrued time. The lump sum will be calculated using the employee's base pay at the time each vacation day was accrued.

The bill exempts the state, municipalities, local and regional boards of education, and private or parochial schools. It does not (1) require an employer to provide paid vacation days or (2) impair or alter any provision of a collective bargaining agreement.

EFFECTIVE DATE: October 1, 2005

**COMMITTEE ACTION**

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 8      Nay 4