

**STATE AUDITOR'S OFFICE**  
**LEAVE INTERPRETATION 97-07<sup>1</sup>**

TO: Human Resources Directors  
DATE: February 27, 1997  
SUBJECT: Whether retired state employees who return to state employment are eligible for leave accruals.

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**Question:**

Is a retired state employee who returns to state employment eligible for leave accruals?

**Answer:**

**A retired state employee who returns to state employment does accrue vacation and sick leave.**

Texas Government Code, Section 661.151 (l), states that an employee returning to state employment who retired from state employment on or after June 1, 2005, and who receives a state retirement annuity accrues vacation leave based only on the employee's length of service earned after the employee's retirement date. The employee's length of service earned before the retirement date is not taken into account in determining the accrual rate.

According to Texas Government Code, Section 661.202 (c), a full-time employee, including a return-to-work retiree, accrues sick leave at the rate of eight hours for each month of state employment. A part-time employee accrues sick leave on a proportionate basis.

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<sup>1</sup>This is an updated version of this State Auditor's Office Leave Interpretation. It was updated in 2011 to primarily reflect statutory changes. The previous version can be found at [http://www.hr.sao.state.tx.us/Statutes/LI97-07\\_old.html](http://www.hr.sao.state.tx.us/Statutes/LI97-07_old.html)