

# **Military Leave Overview**

This document provides a general overview of the military leave process when state classified employees are absent from their state job to serve in the uniformed services. It is not possible to capture all the details and complexities of the law in this limited space. For a more comprehensive review of these rights and benefits, you may review the Uniformed Services Employment and Reemployment Rights Act (USERRA) and the Civil Service rules and regulations. If you are an exclusively-represented state employee, you should review your union's collective bargaining agreement.

# **REFERENCES**

Civil Service Rule 2-14, Rights of Employees Absent Due to Service in the Uniformed Services

Civil Service Regulation 2.04, Military Leaves and Return to Work

### GENERAL INFORMATION

Career classified employees who cannot work due to service in the uniformed services are eligible for military leave. Absence from regularly scheduled workdays for service in the uniformed service is without pay. Continuous state service credit is allowed for the military leave based upon submission of required documentation that military service was performed. Military leave hours do not officially become part of the employee's state service record until they return to state employment and, if the leave exceeded 30 days, submit proof of military service.

Employees may use annual leave, banked leave, or compensatory time credits for any military service. Otherwise, time is coded as NPML (no pay military leave) hours for the employee's regularly scheduled workday. Administrative leave or sick leave cannot be used for military leave.

## PRIOR NOTICE OF MILITARY LEAVE

Unless precluded by military necessity, an employee must provide the employer prior oral or written notice before taking leave for military duty. Employees should provide as much notice as possible. Failure to provide notice could result in a denial of protections under USERRA.

While not required, it is beneficial for the employee to submit the military orders when providing notice. When an employee submits military orders, it (1) provides notice to the employer of possible absence from work, and (2) informs the financial offices whether the military service qualifies for social security/Medicare tax exemption. If an employee's orders are amended or extended, the new orders should be submitted to the employee's human resources (HR) office and <a href="MCSC-MilitaryLeave@michigan.gov">MCSC-MilitaryLeave@michigan.gov</a>.

May 2024 Page 1

# **DOCUMENTATION OF MILITARY LEAVE**

Documentation to confirm eligibility for seniority and to return to work is required only for leaves over 30 days. The documentation listed below is acceptable to verify absence from regularly scheduled workdays for service in the uniformed services:

- Military Leave & Earnings Statement (LES) that includes the basic pay amount and the dates that the LES covered: or
- DD-214, Certificate of Release or Discharge from Active Duty; or
- Document on military letterhead signed by a military superior confirming that the employee performed military duty on specific dates.

Orders do not verify that the employee performed military service. Orders are an "intent" or a "notice" of possible military service. Orders can be cancelled, postponed, amended, or extended. It is the employee's responsibility to provide documentation, described above, that military duty was performed.

Documentation to receive supplemental pay and leave accruals, regardless of length of leave, are described in the Supplemental Pay and Annual and Sick Leave Accrual sections below.

# **TIMESHEET ENTRY**

An employee may use annual leave, banked leave, or compensatory time credits for military service to receive full pay. Otherwise, time is entered as NPML (no pay military leave) hours for the employee's regularly scheduled workday. NPML should not be used for partial days. State holidays during a short-term military training assignment (30 days or less) are coded as HOL\* hours.

Administrative leave or sick leave cannot be used by employees absent for military leave. If the employee is on an extended leave for military training, eligible leave accruals cannot be spread out among different weeks to prolong insurance coverage eligibility.

An employee on long-term active duty leaves (more than 30 days) should code time as NPML on a Monday-Friday schedule, even for state holidays. If an employee leaves in the middle of a pay period, NPML is used for as many days needed to complete 80 hours in a pay period. For supplemental pay calculation purposes, a "state workday" is considered an 8-hour workday regardless of what the employee may have been scheduled to work if not on military leave.

#### SUPPLEMENTAL PAY

The Civil Service rules and regulations authorize supplemental pay to eligible employees on military leave. Supplemental pay is the difference, if any, between the gross base wage as a classified state employee and the gross military basic pay received for each otherwise regularly scheduled workday.

An employee is not eligible for supplemental pay (1) if military service is unpaid, (2) if military pay exceeds state pay, or (3) for any period of leave before or after military duty (decompression). An employee may be eligible to receive supplemental pay for up to one 8-hour state workday per 24-hour period of military leave. To receive supplemental pay, an eligible employee must submit the military Leave & Earnings Statements (LES) covering the NPML dates on the employee's timesheet to their HR office and MCSC-MilitaryLeave@michigan.gov.

Supplemental Pay Calculation: An eligible employee receives a pay differential for each day absent from scheduled employment for uniformed service. The pay differential is the difference, if any, between the employee's (1) gross basic pay in the uniformed service and (2) gross base wage in the classified service. For supplemental pay calculation purposes, a "state workday" is considered an 8-hour workday regardless of what the employee may have been scheduled to work if not on military leave. Shift differentials, holiday overtime, and any other special pay premiums are not considered when calculating supplemental pay.

If a state holiday falls during a military leave, an employee who would otherwise be eligible to receive supplemental pay will receive full base wage for that holiday. Holidays falling in any period of leave during which the employee is ineligible for supplemental pay will not qualify for holiday pay.

Supplemental Pay Limitations: Supplemental pay for training duty is payable for up to 15 scheduled workdays (120 hours) each fiscal year. The MSPTA collective bargaining agreement allows supplemental pay for up to 20 scheduled workdays (160 hours) of training duty each fiscal year. The AFSCME collective bargaining agreement allows supplemental pay for up to 15 scheduled workdays (120 hours) each calendar year. Supplemental pay for training duty is processed after the dates on the LES and after the State pay period in which those dates fall.

Eligible employees on leave for emergency active duty receive supplemental pay for the duration of the emergency active duty. Supplemental pay for emergency active duty is processed according to the yearly Processing Schedule for Supplemental Pay.

Supplemental Pay for Amended Orders: If an employee's orders are amended or extended, the new orders should be submitted to the employee's HR office and <a href="MCSC-MilitaryLeave@michigan.gov">MCSC-MilitaryLeave@michigan.gov</a>. Supplemental pay is not processed if the supporting LES is dated after the projected discharge date of the most recent orders. If it is discovered that supplemental pay was processed after the employee's discharge date, a recovery of overpayment will be processed when the employee returns to work.

Supplemental Pay on Pay Stub: When supplemental pay is processed, it appears in the employee's pay warrant as a gross pay adjustment coded as (1) 10ML for inactive duty training or active duty less than 30 days, or (2) 11ML for active duty training or active duty expected to exceed 30 days. The pay codes of 10ML and 11ML are taxable wages. The 10ML pay code has social security and Medicare taxes (FICA) and federal unemployment taxes (FUTA) withheld. The 11ML pay code excludes FICA and FUTA.

# ANNUAL AND SICK LEAVE ACCRUALS

The Civil Service rules and regulations authorize annual, personal, and sick leave accruals for employees eligible for supplemental pay, subject to the limitations below. Leave accruals are not issued until the employee submits documentation that eligible military service was performed to their HR office and <a href="MCSC-MilitaryLeave@michigan.gov">MCSC-MilitaryLeave@michigan.gov</a>.

Leave accrual limitations for training duty: Annual and sick leave accruals are credited for the first 15 days (120 hours) of eligible training duty. Accruals will be granted after receipt of documentation that eligible military service was performed. The MSPTA collective bargaining agreement allows leave accruals for up to 20 scheduled workdays (160 hours) of training duty each fiscal year. The AFSCME collective bargaining agreement allows leave accruals for up to 15 scheduled workdays (120 hours) each calendar year.

Leave accrual limitations for emergency active duty: Annual and sick leave accruals are credited for the first 30 consecutive calendar days of eligible emergency active duty under Civil Service Rule 2-14.2(b). Multiple short-term emergency active duty assignments in a fiscal year will be considered as one consecutive assignment. Accruals will be granted after receipt of documentation that eligible military service was performed and the employee returned to work.

October 1 personal leave grant: An employee eligible for extended supplemental pay under rule 2-14.2(b) on October 1 receives the appropriate personal leave grant upon return to work.

Documentation required: Documentation suitable to establish eligibility for leave accruals include only:

- Military LES that includes the basic pay amount and the dates that the LES covered; or
- DD-214, Certificate of Release or Discharge from Active Duty; or
- Document on military letterhead signed by a military superior confirming that the employee performed military duty on specific dates.

### **INSURANCES**

USERRA entitles employees to continue health, dental, and vision insurances for the first 30 days of any military service. An employee on full-time emergency active duty will continue health, dental, and vision benefits for the duration of the military orders, except during decompression time, by paying the employee's portion of the cost. Long-term disability is discontinued for extended military leaves. To cancel insurances during emergency active duty or for insurance-related questions, contact <a href="MCSC-EBD@michigan.gov">MCSC-EBD@michigan.gov</a>.

# **DECOMPRESSION TIME AND RETURN TO WORK**

Employees may take additional time off before returning to their state job for decompression. Decompression time is based on the number of days of military service. Employees must report to work, or provide notice to their HR office of their intention to return to work, within the limits below. If providing notice of their intention to return, the employee's HR office will inform the employee of when they must report for work, which will be as soon as practicable.

- Less than 31 days Next regularly scheduled workday after travel plus 8 hours of rest
- 31 to 180 days Within 14 days after the end of the military service
- 181 or more days Within 6 months after the end of the military service

### RETIREMENT SERVICE CREDIT

The retirement system is independent and separate from the MCSC and HR Offices. The Office of Retirement Services (ORS) will only discuss an employee's retirement program with the employee. Employees should contact ORS to ensure that retirement credits, contributions, and service hours are appropriate for the period of military service coded as NPML. Questions about state retirement credit should be directed to ORS at 800-381-5111.

Visit the Michigan Civil Service Commission's <u>military leave</u> website for additional information on military leave processing. Questions can be directed to <u>MCSC-MilitaryLeave@michigan.gov</u>.