

Amendment: D12

General Provisions

Representative **BANNISTER** proposes the following amendment:

AMEND

117.109.(GP: Employee Compensation) The amounts appropriated to F300-Statewide Employee Benefits for Employee Pay Increases must be allocated by the Department of Administration, Executive Budget Office to the various state agencies to provide for employee pay increases in accordance with the following ~~plan~~:

(1) With respect to classified and non-judge judicial classified employees, effective on the first pay date that occurs on or after ~~July first~~ October 16th of the current fiscal year, the compensation of all classified employees shall be increased by an average two percent, ~~except that employees of institutions of higher education and technical colleges that earn a base salary of \$100,000 or more shall not be eligible to receive the increase in compensation.~~

(2) With respect to unclassified and non-judge judicial unclassified employees or unclassified executive compensation system employees not elsewhere covered in this act, effective on the first pay date that occurs on or after ~~July first~~ October 16th of the current fiscal year the compensation of all unclassified employees shall be increased by an average two percent, ~~except that employees of institutions of higher education and technical colleges that earn a base salary of \$100,000 or more shall not be eligible to receive the increase in compensation.~~ Any employee subject to the provisions of this paragraph shall not be eligible for compensation increases provided in paragraphs 1, 3, 4, 5, or 6.

~~— With respect to unclassified employees of institutions of higher education and technical colleges eligible in this item, institutions and technical colleges are authorized to allot the total funds for compensation increases among individual employees without uniformity. The funds provided for compensation increases for any employee subject to the provisions of this item are based on an annual average two percent increase and may be based on performance.~~

(3) Agencies may use allocated funds to support recruitment and retention initiatives, improve the competitiveness of state salaries, and/or reward performance. Agencies can allocate funds at its discretion to provide increases and/or bonuses to employees. Agencies must develop a compensation plan with the assistance of the Division of State Human Resources (DSHR) and submit a compensation plan to DSHR for allocation of the funds on or before August 1, 2020. The compensation plan must adhere to guidance distributed by DSHR and shall include, but is not limited to, a summary of their compensation plan, the data relied upon to determine how increases/bonuses should be awarded and a detailed list of increases/bonuses awarded to employees. DSHR will review the compensation plans to ensure the plans adhere to state law and DSHR policy and guidance while promoting recruitment and/or retention of quality state

employees. DSHR will also review the plans to ensure each plan addresses internal equity, salary compression or competitiveness in the relevant market. If the plan includes bonuses, DSHR will review to ensure the bonus plan rewards performance based on objective criteria. The Division of State Human Resources will provide feedback and/or recommendations on the compensation plan submitted by an agency on or before September 7, 2020. DSHR will prepare a summary report for the legislature of this information. Institutions of higher education and technical colleges shall be exempt from the requirements of this paragraph.

(4) Effective on the first pay date that occurs on or after July first of the current fiscal year, agency heads not covered by the Agency Head Salary Commission, shall receive an annualized base pay increase of two percent.

(45) With respect to local health care providers compensation increases shall be two percent effective on the first pay date that occurs on or after July first of the current fiscal year. With respect to Area Agencies on Aging funded by the Department on Aging, compensation shall be increased by two percent effective on the first pay date that occurs on or after July first of the current fiscal year. With respect to local councils on aging or local providers of services funded by the Department on Aging through Area Agencies on Aging, no pay increases will be allowed. School Bus Driver salary and fringe funding to school districts shall be increased by two percent.

(56) Effective on the first pay date that occurs on or after July first of the current fiscal year, the Chief Justice and other judicial officers shall receive an annualized base pay increase of two percent.

(67) Effective on the first pay date that occurs on or after July first of the current fiscal year, county auditors and county treasurers shall receive an annualized base pay increase of two percent.

(78) For Fiscal Year ~~2019-20~~ 2020-21, the Executive Budget Office is directed to review Executive Branch agencies to determine whether their budgets warrant an other fund authorization increase due to the two percent compensation increase for all full-time employees. If so warranted, the Executive Budget Office shall work with the Office of the Comptroller General to increase such authorization for the affected agencies.

The Department of Administration shall allocate associated compensation increases for retirement employer contributions based on the retirement rate of the retirement system in which individual employees participate.

The Executive Director of the State Fiscal Accountability Authority is authorized to use excess appropriations for the current fiscal year designated for statewide employer contributions for other statewide purposes. At the discretion of the Executive Director of the State Fiscal Accountability Authority, such action may be considered a permanent transfer into the receiving agency's base budget.

Funds appropriated in Part IA, F300, Section 106, Statewide Employee Benefits may be carried forward from the prior fiscal year into the current fiscal year.