

HOUSE BILL NO. 1093

Introduced by

Government and Veterans Affairs Committee

(At the request of the Office of Management and Budget)

1 A BILL for an Act to amend and reenact sections 54-06-30 and 54-06-31 of the North Dakota
2 Century Code, relating to state employee bonus programs for performance and recruitment and
3 retention programs; to provide an effective date; and to declare an emergency.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 54-06-30 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **54-06-30. (~~Effective through June 30, 2005~~) State employee performance bonus**
8 **program - Criteria - Limitations.** State agencies may provide monetary performance bonuses
9 to their ~~classified state~~ employees under this section.

10 1. State agencies may pay bonuses under this section if:

- 11 a. The agency has had a written employee performance evaluation policy in
12 place for more than one year before paying the bonus;
- 13 b. The written employee performance evaluation policy required in subdivision a
14 must have at least three levels of performance criteria; and
- 15 c. The agency performance bonus program adopted under this section must be
16 a written policy and must be communicated to each ~~classified~~ employee in the
17 agency. Development of the written policy must include input from
18 employees.

19 2. ~~Classified state~~ State employees are eligible to receive a bonus under this section
20 only if:

- 21 a. The employee has held a ~~classified~~ position in state government for at least
22 one year before a bonus is paid;
- 23 b. The employee's overall annual performance evaluation satisfies the agency's
24 performance bonus program criteria for receiving a bonus; and

c. The employee is a full-time or part-time regular nonprobationary employee holding a regularly funded nontemporary position ~~in the classified service.~~

3. ~~A classified~~ An employee may not receive more than one performance bonus per fiscal year and may not receive more than one thousand dollars in bonuses per biennium.

4. Agencies may pay bonuses under this section during a fiscal year to not more than the number of ~~classified~~ employees equal to twenty-five percent of the ~~classified~~ employees employed by the agency on July first at the beginning of each state fiscal year. Each agency must fund the performance bonus program from within its agency budget for salaries and wages.

5. Bonuses paid under this section may not be included in an employee's base salary for purposes of calculating any wage or salary increase.

6. Bonuses paid under this section are not fiscal irregularities under section 54-14-03.1.

SECTION 2. AMENDMENT. Section 54-06-31 of the North Dakota Century Code is amended and reenacted as follows:

54-06-31. ~~(Effective through June 30, 2003)~~ State employee recruitment and retention bonus ~~pilot~~ programs - Criteria - Limitations. State agencies may develop ~~pilot~~ programs to provide bonuses to recruit or retain ~~classified state~~ employees in hard-to-fill occupations.

1. State agencies may pay recruitment and retention bonuses under this section only if:

a. The agency has a written policy in place identifying eligible positions or occupations and provisions for providing and receiving bonuses;

b. The agency has filed a copy of the written policy with the central personnel division; and

c. The agency reports to the central personnel division each bonus provided to an employee under the ~~pilot~~ program.

2. State agencies must fund bonus ~~pilot~~ programs from within its agency salaries and wages budget.

- 1 3. The central personnel division shall periodically report to a legislative committee
- 2 designated by the legislative council on the implementation, progress, and bonuses
- 3 provided under agency recruitment and retention bonus ~~pilot~~ programs.
- 4 4. Bonuses paid under this section are not fiscal irregularities under section
- 5 54-14-03.1.
- 6 **SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure.