

**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

- 1 c. The employee is a full-time or part-time regular nonprobationary employee
- 2 holding a regularly funded nontemporary position ~~in the classified service.~~
- 3 3. ~~A classified~~ An employee may not receive more than one performance bonus per
- 4 fiscal year and may not receive more than one thousand dollars in bonuses per
- 5 biennium.
- 6 4. Agencies may pay bonuses under this section during a fiscal year to not more than
- 7 the number of ~~classified~~ employees equal to twenty-five percent of the ~~classified~~
- 8 employees employed by the agency on July first at the beginning of each state
- 9 fiscal year. Each agency must fund the performance bonus program from within its
- 10 agency budget for salaries and wages.
- 11 5. Bonuses paid under this section may not be included in an employee's base salary
- 12 for purposes of calculating any wage or salary increase.
- 13 6. Bonuses paid under this section are not fiscal irregularities under section
- 14 54-14-03.1.

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

17 **54-06-31. (~~Effective through June 30, 2003~~) State employee recruitment and**  
18 **retention bonus ~~пилет~~ programs - Criteria - Limitations.** State agencies may develop ~~пилет~~  
19 programs to provide bonuses to recruit or retain ~~classified state~~ employees in hard-to-fill  
20 occupations.

- 21 1. State agencies may pay recruitment and retention bonuses under this section only
- 22 if:
- 23 a. The agency has a written policy in place identifying eligible positions or
- 24 occupations and provisions for providing and receiving bonuses;
- 25 b. The agency has filed a copy of the written policy with the central personnel
- 26 division; and
- 27 c. The agency reports to the central personnel division each bonus provided to
- 28 an employee under the ~~пилет~~ program.
- 29 2. State agencies must fund bonus ~~пилет~~ programs from within its agency salaries and
- 30 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.