

HOUSE BILL NO. 1119

Introduced by

Government and Veterans Affairs Committee

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

1 A BILL for an Act to create and enact a new section to chapter 54-06 of the North Dakota
2 Century Code, relating to establishing a state employee performance bonus program.

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

4 **SECTION 1.** A new section to chapter 54-06 of the North Dakota Century Code is
5 created and enacted as follows:

6 **State employee performance bonus program - Criteria - Limitations.** State
7 agencies may provide monetary performance bonuses to their classified state employees under
8 this section.

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

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

17 2. Classified state employees are eligible to receive a bonus under this section only if:

- 18 a. The employee has held a classified position in state government for at least
19 one year before a bonus is paid;
- 20 b. The employee's overall annual performance evaluation satisfies the agency's
21 performance bonus program criteria for receiving a bonus; and
- 22 c. The employee is a full-time or part-time permanent nonprobationary employee
23 holding a regularly funded nontemporary position in the classified service.

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- 1 3. A classified employee may not receive more than one performance bonus per
2 fiscal year and may not receive more than one thousand dollars in bonuses per
3 biennium.
- 4 4. Agencies may pay bonuses under this section during a fiscal year to not more than
5 the number of classified employees equal to twenty percent of the classified
6 employees employed by the agency on July first at the beginning of each state
7 fiscal year. Each agency must fund the performance bonus program from within its
8 agency budget for salaries and wages.
- 9 5. Bonuses paid under this section are not fiscal irregularities under section
10 54-14-03.1.