

Introduced by

(Approved by the Delayed Bills Committee)

1 A BILL for an Act to provide legislative intent regarding state employee reductions; to provide
2 for a report to the budget section; to provide for state employee compensation increases; and to
3 provide an effective date.

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

5 **SECTION 1. LEGISLATIVE INTENT - STATE EMPLOYEE REDUCTIONS - BUDGET**

6 **SECTION REPORT.** It is the intent of the legislative assembly that the number of full-time
7 equivalent state employees be reduced by employee retirements, employee turnover, and
8 vacant employee positions during the biennium beginning July 1, 2003, and ending June 30,
9 2005, as follows:

10 Executive branch agencies and the office of	155
11 the governor, excluding other offices of state	
12 elected officials and higher education	
13 State elected officials, excluding the governor	13
14 Judicial branch	8

15 It is the intent that one-half of this total reduction be accomplished by December 31, 2003, and
16 the remaining reductions by December 31, 2004. Agencies shall report employee positions
17 eliminated and projected salary and wages and fringe benefit savings for the remainder of the
18 2003-05 biennium to the office of management and budget. The office of management and
19 budget shall provide periodic reports on the employee positions eliminated by agencies and
20 reported agency budgetary savings to the budget section of the legislative council.

21 **SECTION 2. STATE EMPLOYEE REDUCTIONS - STATE EMPLOYEE**

22 **COMPENSATION POOLS.** The office of management and budget may establish a state
23 employee compensation pool for executive branch agencies from agency savings resulting from
24 employee reductions under section 1 of this Act and a state employee compensation pool for

1 the judicial branch from agency savings resulting from employee reductions within the judicial
2 branch under section 1 of this Act.

3 **SECTION 3. LEGISLATIVE INTENT - STATE EMPLOYEE COMPENSATION**

4 **INCREASES - REPORT TO THE BUDGET SECTION.** It is the intent of the legislative
5 assembly that funding for state employee salary increases for the biennium beginning July 1,
6 2003, and ending June 30, 2005, be provided primarily from permanent savings resulting from
7 reductions in full-time equivalent positions.

8 Executive branch agencies may provide state employee salary increases effective
9 July 1, 2003, to be paid in August 2003 of up to one percent primarily from pooled savings as
10 provided in section 2 of this Act and supplemented, if necessary, from accumulated savings
11 from other vacant full-time equivalent positions of the agency, upon approval of the office of
12 management and budget.

13 The judicial branch may provide state employee salary increases effective July 1, 2003,
14 to be paid in August 2003 of up to one percent primarily from pooled savings as provided in
15 section 2 of this Act and supplemented, if necessary, from accumulated savings from other
16 vacant full-time equivalent positions of the judicial branch.

17 Executive branch agencies may provide state employee salary increases effective
18 July 1, 2004, to be paid in August 2004 of up to two percent primarily from pooled savings as
19 provided in section 2 of this Act and supplemented, if necessary, from accumulated savings
20 from other vacant full-time equivalent positions of the agency, upon approval of the office of
21 management and budget.

22 The judicial branch may provide state employee salary increases effective July 1, 2004,
23 to be paid in August 2004 of up to two percent primarily from pooled savings as provided in
24 section 2 of this Act and supplemented, if necessary, from accumulated savings from other
25 vacant full-time equivalent positions of agencies of the judicial branch.

26 The office of management and budget and the judicial branch shall provide reports to
27 the budget section relating to salary increases provided for each year of the 2003-05 biennium.

28 **SECTION 4. EFFECTIVE DATE.** This Act becomes effective on July 1, 2003.