

Fifty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2423

Introduced by

Senator Stenehjem

Representative Berg

(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
3 to 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 shall establish a state
23 employee compensation pool for executive branch agencies from agency savings resulting
24 from employee reductions under section 1 of this Act and a state employee compensation pool

1 for the judicial branch from agency savings resulting from employee reductions within the
2 judicial 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 from permanent savings resulting from
7 reductions in full-time equivalent positions and supplemented, if necessary, from accumulated
8 savings from other vacant full-time equivalent positions.

9 Executive branch agencies may provide state employee salary increases effective
10 January 1, 2004, to be paid in February 2004 of up to one percent from pooled savings as
11 provided in section 2 of this Act and supplemented, if necessary, from accumulated savings
12 from other vacant full-time equivalent positions of the agency, upon approval of the office of
13 management and budget. At least seventy percent of the funding for the increases provided
14 must be from pooled savings as provided in section 2 of this Act.

15 The judicial branch may provide state employee salary increases effective January 1,
16 2004, to be paid in February 2004 of up to one percent from pooled savings as provided in
17 section 2 of this Act and supplemented, if necessary, from accumulated savings from other
18 vacant full-time equivalent positions of the judicial branch. At least seventy percent of the
19 funding for the increases provided must be from pooled savings as provided in section 2 of this
20 Act.

21 Executive branch agencies may provide state employee salary increases effective
22 January 1, 2005, to be paid in February 2005 of up to two percent from pooled savings as
23 provided in section 2 of this Act and supplemented, if necessary, from accumulated savings
24 from other vacant full-time equivalent positions of the agency, upon approval of the office of
25 management and budget. At least seventy percent of the funding for the increases provided
26 must be from pooled savings as provided in section 2 of this Act.

27 The judicial branch may provide state employee salary increases effective January 1,
28 2005, to be paid in February 2005 of up to two percent from pooled savings as provided in
29 section 2 of this Act and supplemented, if necessary, from accumulated savings from other
30 vacant full-time equivalent positions of agencies of the judicial branch. At least seventy percent

1 of the funding for the increases provided must be from pooled savings as provided in section 2
2 of this Act.

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

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