

SENATE BILL NO. 2189

Introduced by

Senators Nething, Dever, Robinson

Representatives Delmore, Porter, Weiler

1 A BILL for an Act to provide an appropriation for state employee salary equity adjustments; to
2 provide a statement of legislative intent regarding state employee compensation adjustments;
3 and to provide a statement of legislative intent regarding state employee health insurance
4 premiums.

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

6 **SECTION 1. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET -**
7 **STATEWIDE SALARY EQUITY POOL.** There is appropriated out of any moneys in the
8 general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so
9 much of the sum as may be necessary, and from special funds, derived from federal funds or
10 other income, the sum of \$5,000,000, or so much of the sum as may be necessary, to the office
11 of management and budget for the purpose of providing statewide salary equity adjustments for
12 classified state employees in accordance with provisions of section 2 of this Act, for the
13 biennium beginning July 1, 2007, and ending June 30, 2009.

14 **SECTION 2. STATEWIDE SALARY EQUITY POOL FOR CLASSIFIED STATE**
15 **EMPLOYEES.** The statewide salary equity pool appropriation included in section 1 of this Act
16 must be used for market equity compensation adjustments for classified state employees. The
17 market equity adjustments are to begin with the month of July 2007, to be paid in August 2007.
18 The market equity adjustments are independent of any general salary increase provided by the
19 legislative assembly.

20 The market equity increases are to be prioritized based on equity for employees whose
21 salaries are furthest from their respective salary range midpoints effective July 1, 2007.

22 Probationary employees are eligible for the market equity increases. Employees whose
23 documented performance levels do not meet standards are not eligible for the market equity
24 increases.

1 Human resource management services shall provide a model base plan to each
2 agency. Agencies may adopt the model plan, adopt the model plan with exceptions, or offer an
3 alternative plan that meets the intent outlined in this section.

4 Upon adoption of an appropriate plan and application to human resource management
5 services, the fiscal management division shall transfer to each eligible agency appropriated
6 general fund or special fund spending authority from the statewide salary equity pool
7 appropriation contained in section 1 of this Act.

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

9 **ADJUSTMENTS - GUIDELINES.** It is the intent of the sixtieth legislative assembly that
10 2007-09 compensation adjustments for permanent state employees are to be based on
11 documented performance and equity. General increases based on legislative appropriations
12 are to be given beginning with the month of July 2007, to be paid in August 2007, and
13 beginning with the month of July 2008, to be paid in August 2008. Each agency appropriation
14 is increased by 4.0 percent for the first year of the 2007-09 biennium and 4.0 percent for the
15 second year of the 2007-09 biennium.

16 Employees whose documented performance levels do not meet standards are not
17 eligible for any salary increase. Each employee whose documented performance meets all
18 standards is to receive a minimum monthly increase of \$75 on July 1, 2007, and \$75 on July 1,
19 2008.

20 Probationary employees are not entitled to the general increases. However,
21 probationary employees may be given all or a portion of the increases effective in July, paid in
22 August, or upon completion of probation, at the discretion of the appointing authority.

23 During the biennium, no salary increase other than a temporary increase may be given
24 to an employee whose salary exceeds or would exceed the salary range maximum.

25 **SECTION 4. LEGISLATIVE INTENT - STATE EMPLOYEE HEALTH INSURANCE**

26 **PREMIUMS.** It is the intent of the sixtieth legislative assembly that state agency appropriations
27 include the funding necessary to provide for health insurance premiums for eligible state
28 employees at the monthly premium rate of \$658.08 for the biennium beginning July 1, 2007,
29 and ending June 30, 2009.