

Sixty-first
Legislative Assembly
of North Dakota

SENATE BILL NO. 2311

Introduced by

Senators Nething, Dever, Wanzek

Representatives Delmore, Headland, Martinson

- 1 A BILL for an Act to provide statements of legislative intent regarding state employee
2 compensation adjustments and state employee equity adjustments; and to provide for transfers.

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

4 **SECTION 1. LEGISLATIVE INTENT - STATE EMPLOYEE COMPENSATION**

5 **ADJUSTMENTS - GUIDELINES.** It is the intent of the sixty-first legislative assembly that
6 2009-11 compensation adjustments for permanent state employees are to be based on
7 documented performance and equity. General increases based on legislative appropriations
8 are to be given beginning with the month of July 2009, to be paid August 2009, and beginning
9 with the month of July 2010, to be paid in August 2010. Each agency appropriation is
10 increased by five percent for the first year of the 2009-11 biennium and by five percent for the
11 second year of the 2009-11 biennium.

12 Employees whose documented performance levels do not meet standards are not
13 eligible for any salary increase. Each employee whose documented performance meets all
14 standards is to receive a minimum monthly increase of \$100 on July 1, 2009, and \$100 on
15 July 1, 2010.

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

19 During the biennium, no salary increase other than a \$100 minimum increase or a
20 temporary increase may be given to an employee whose salary exceeds or would exceed the
21 salary range maximum.

22 **SECTION 2. LEGISLATIVE INTENT - STATE EMPLOYEE EQUITY ADJUSTMENTS -**

23 **GUIDELINES.** Equity funding amounts included in agencies' budgets must be used for market
24 equity compensation adjustments for state employees. The market equity adjustments are to

1 begin with the month of July 2009, to be paid in August 2009. The market equity adjustments
2 are to be independent of any general salary increase provided by the legislative assembly.

3 Agencies shall use the market equity funds to address competitive employment market
4 and salary compression issues. Agencies shall document their plan and distribution of the
5 market equity funds.

6 Probationary employees are eligible for market equity increases. Employees whose
7 documented performance levels do not meet standards are not eligible for market equity
8 increases.

9 **SECTION 3. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.**

10 Notwithstanding section 54-16-04, agencies may transfer appropriation authority between line
11 items, as it relates to equity increases authorized in section 2 of this Act, for the biennium
12 beginning July 1, 2009, and ending June 30, 2011. The agencies shall notify the office of
13 management and budget of any transfer made pursuant to this section.