

## HOUSE BILL NO. 1030

Introduced by

Legislative Council

(Employee Benefits Programs Committee)

1 A BILL for an Act to amend and reenact section 54-06-30 of the North Dakota Century Code,  
2 relating to the state employee performance bonus program.

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

4 **SECTION 1. AMENDMENT.** Section 54-06-30 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **54-06-30. State employee performance bonus program - Criteria - Limitations.**

7 State agencies may provide monetary performance bonuses to their employees under this  
8 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 employee in the agency.  
16 Development of the written policy must include input from employees.

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

- 18 a. The employee has held a position in state government for at least one year  
19 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 regular nonprobationary employee  
23 holding a regularly funded nontemporary position.

- 1           3.   An employee may not receive more than one performance bonus per fiscal year  
2           and may not receive more than one thousand dollars in bonuses per ~~biennium~~  
3           fiscal year.
- 4           4.   ~~Agencies~~ Except as provided in this subsection, agencies may pay bonuses under  
5           this section during a fiscal year to not more than the number of employees equal to  
6           twenty-five percent of the employees employed by the agency on July first at the  
7           beginning of each state fiscal year. Upon a showing of special circumstances,  
8           North Dakota human resource management services may approve pay bonuses  
9           above the twenty-five percent limitation in this subsection. North Dakota human  
10          resource management services shall report any exceptions granted under this  
11          subsection to the budget section of the legislative council. Each agency must fund  
12          the performance bonus program from within its agency budget for salaries and  
13          wages.
- 14          5.   Bonuses paid under this section may not be included in an employee's base salary  
15          for purposes of calculating any wage or salary increase.
- 16          6.   Bonuses paid under this section are not fiscal irregularities under section  
17          54-14-03.1.