## IN THE HOUSE OF REPRESENTATIVES

## HOUSE BILL NO. 490

## BY COMMERCE AND HUMAN RESOURCES COMMITTEE

1	AN ACT
2	RELATING TO NONCLASSIFIED STATE OFFICERS AND EMPLOYEES; AMENDING SECTION
3	59-1603, IDAHO CODE, TO CLARIFY A PROVISION REGARDING THE SALARY OR
4	WAGE OF CERTAIN NONCLASSIFIED EMPLOYEES, TO PROVIDE THAT DEPARTMENT
5	DIRECTORS AND THE ADMINISTRATOR OF THE DIVISION OF HUMAN RESOURCES ARE
6	AUTHORIZED TO SEEK CERTAIN REMEDIES FROM CERTAIN EMPLOYEES WHO RESIGN
7	AFTER RECEIVING A RECRUITMENT OR RETENTION BONUS AND TO MAKE TECHNICAL
8	CORRECTIONS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 59-1603, Idaho Code, be, and the same is hereby amended to read as follows:

- 59-1603. CONFORMITY WITH CLASSIFIED POSITIONS. (1) To the extent possible, each nonclassified position in the executive department will be paid a salary or wage comparable to classified positions with similar duties, responsibilities, training, experience and other qualifications in consultation with the division of human resources. Temporary employees and agricultural inspectors referred to in subsections (n) and (p) of section 67-5303, Idaho Code, shall not be entitled to sick leave accruals provided in section 59-1605, Idaho Code, vacation leave provided in section 59-1606, Idaho Code, nor holiday pay defined in subsection (15) of section 67-5302, Idaho Code, unless contributions are being made to the public employee retirement system in accordance with chapter 13, title 59, Idaho Code, and rules promulgated by the retirement board. Vacation and sick leave accruals, but not holiday pay, shall be awarded retroactively, if necessary, to the date such employees become eligible for retirement system membership.
- (2) To the extent possible, each nonclassified position in the legislative department will be paid a salary or wage comparable to classified positions with similar duties, responsibilities, training, experience and other qualifications.
- (3) The supreme court shall determine the schedules of salary and compensation for all officers and employees of the judicial department which that are not otherwise fixed by law. To the extent possible, the supreme court shall adopt schedules which are compatible with the state's accounting system. The judicial department may also maintain personnel records and files under such system as is ordered by the supreme court.
- (4) The state board of education shall determine the schedules of salary and compensation, and prescribe policies for overtime and compensatory time off from duty, for all officers and employees of the state board of education who are not subject to the provisions of chapter 53, title 67, Idaho Code, and which are not otherwise fixed by law. To the extent possible, the state board of education shall adopt schedules and policies which are compatible with the state's accounting system. The state board of education

may also maintain personnel records and files under a system of its own, if approved by the state controller.

- (5) Members of the legislature, the lieutenant governor, other officers whose salaries are fixed by law, and members of part-time boards, commissions and committees shall be paid according to law.
- (6) Any schedule of salary and compensation must be approved by the appointing authority and be communicated to the state controller in writing at least thirty (30) days in advance of the effective date of the schedule.
- (7) In addition to salary increases provided by any compensation schedule adopted pursuant to <u>paragraph subsection</u> (6) of this section, non-classified officers and employees, except those who are elected officials or whose salaries are fixed by law, may be granted an award not to exceed two thousand dollars (\$2,000) in any given fiscal year based upon an affirmative certification of meritorious service. Exceptions to the two thousand dollar (\$2,000) limit provided in this section may be granted under extraordinary circumstances if approved in advance by the state board of examiners. Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all awards granted in the preceding fiscal year.
- (8) In addition to salary increases provided by any compensation schedule, nonclassified officers and employees, except those who are elected officials or whose salaries are fixed by law, may be granted an award not to exceed two thousand dollars (\$2,000) in any given fiscal year based upon suggestions or recommendations made by the employee which that resulted in taxpayer savings as a result of cost savings or greater efficiencies to the department, office or institution or to the state of Idaho in excess of the amount of the award. Exceptions to the two thousand dollar (\$2,000) limit provided in this subsection may be granted in extraordinary circumstances if approved in advance by the state board of examiners. The appointing authority shall as near as practicable utilize the criteria in conformance with rules promulgated by the division of human resources pursuant to section 67-5309D, Idaho Code. Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all employee suggestion awards granted in the preceding fiscal year. Such report shall include any changes made as a direct result of an employee's suggestion and savings resulting therefrom.
- (9) Each appointing authority, including the elective offices in the executive department, the legislative department, the judicial department, and the state board of education and the board of regents, shall comply with all reporting requirements necessary to produce the list of employee positions prescribed by section 67-3519, Idaho Code.
- (10) The adjutant general, with the approval of the governor, shall prescribe personnel policies for all officers and employees of the national guard which that are not otherwise fixed by law. Such policies will include an employee grievance procedure with appeal to the adjutant general. The adjutant general shall determine schedules of salary and compensation which that are, to the extent possible, comparable to the schedules used for federal civil service employees of the national guard and those employees serving in military status. Schedules adopted shall be compatible with the state's accounting system to the extent possible.

(11) In addition to salary increases provided by any compensation schedule, nonclassified officers and employees, except those who are elected officials or whose salaries are fixed by law, may be granted award pay for recruitment or retention purposes based upon affirmative certification of meritorious service after completion of at least six (6) months of service. Department directors and the administrator of the division of human resources are authorized to seek legal remedies available, including deductions from an employee's accrued vacation funds, from an employee who resigns during the designated period of time after receipt of a recruitment or retention bonus. Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all such awards granted in the preceding fiscal year.

- (12) In addition to salary increases provided by any compensation schedule, nonclassified officers and employees, except those who are elected officials or whose salaries are fixed by law, may be granted other pay as provided in this subsection. Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all such awards granted in the preceding fiscal year  $\cdot$ , including:
  - (a) Shift differential pay up to twenty-five percent (25%) of hourly rates depending on local market rates in order to attract and retain qualified staff $\cdot$ ; and
  - (b) Geographic differential pay in areas of the state where recruitment and retention are difficult due to economic conditions and cost of living.
- (13) In unusual circumstances, when a distribution has been approved for classified employees pursuant to section 67-5309D, Idaho Code, each appointing authority, including the elective offices in the executive branch, the legislative branch, the judicial branch, and the state board of education and the board of regents of the university of Idaho, may grant nonclassified employees nonmerit pay in the same proportion as received by classified employees in that department or institution. Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all such awards granted in the preceding fiscal year.
- (14) Each appointing authority, shall, as nearly as practicable, utilize the criteria for reimbursement of moving expenses in conformance with section 67-5337, Idaho Code, and rules promulgated by the division of human resources pursuant thereto. Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all moving reimbursements granted in the preceding fiscal year.
- (15) Specific pay codes shall be established and maintained in the state controller's office to ensure accurate reporting and monitoring of all pay actions authorized in this section.