PROPOSED AMENDMENTS TO HOUSE BILL NO. 1050

Page 1, line 1, replace "an appropriation for" with "a statement of legislative intent regarding"

Page 1, replace lines 3 through 24 with:

"SECTION 1. LEGISLATIVE INTENT - STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES. It is the intent of the fifty-ninth legislative assembly that 2005-07 biennium compensation adjustments for permanent state employees are to be increases of three percent beginning with the month of July 2005, to be paid in August 2005, and of four percent beginning with the month of July 2006, to be paid in August 2006. Of the four percent increase beginning with the month of July 2006, two percent is to be distributed for the following adjustments:

- 1. Equity increases to address a documented and serious internal agency inequity affecting the agency's ability to retain an employee.
- Market adjustments to address a documented external salary disparity identified by comparison with generally recognized market data. Appropriate documentation supporting all market adjustments must be maintained. Market adjustments may not be provided in situations where serious internal inequities will result.
- 3. Merit and performance increases in recognition of documented performance which is consistently superior or which consistently exceeds performance and accountability standards.
- 4. Discretionary salary adjustments at the discretion of the appointing authority based on changes in workload, promotion, reclassification, or other permanent job reassignment. Appropriate documentation and justification must be maintained by the appointing authority.

Employees whose documented performance levels do not meet standards are not eligible for the general increases.

Probationary employees are not entitled to the general increases. However, probationary employees may be given all or a portion of the increases upon completion of probation, at the discretion of the appointing authority.

During the biennium, no salary increase other than the three percent in July 2005 and the four percent in July 2006 may be given to an employee whose salary exceeds or would exceed the salary range maximum.

Each agency appropriation for salaries and wages is increased by three percent the first year and four percent the second year of the 2005-07 biennium for these compensation adjustments.

SECTION 2. AGENCY SALARY INCREASE INFORMATION. State agencies shall report to the human resources management services division of the office of management and budget in the format developed by the division, information regarding the state employee salary increases provided pursuant to section 1 of this Act. The human resources management services division shall analyze the impact of the increases on the classified employee system and include this analysis in the division's presentation to the appropriations committees of the sixtieth legislative assembly."

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Renumber accordingly