

1 **PERSONNEL MANAGEMENT ACT REVISION**

2 2001 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Terry R. Spencer**

5 **This act modifies the Personnel Management Act by adjusting requirements for salary**
6 **ranges in pay plans and by adjusting merit step increments.**

7 This act affects sections of Utah Code Annotated 1953 as follows:

8 AMENDS:

9 **67-19-12**, as last amended by Chapters 10, 202 and 213, Laws of Utah 1997

10 *Be it enacted by the Legislature of the state of Utah:*

11 Section 1. Section **67-19-12** is amended to read:

12 **67-19-12. State pay plans -- Applicability of section -- Exemptions -- Duties of**
13 **director.**

14 (1) (a) This section, and the rules adopted by the department to implement this section,
15 apply to each career and noncareer state employee not specifically exempted under Subsection (2).

16 (b) If not exempted under Subsection (2), a state employee is considered to be in classified
17 service.

18 (2) The following state employees are exempt from this section:

19 (a) members of the Legislature and legislative employees;

20 (b) members of the judiciary and judicial employees;

21 (c) elected members of the executive branch and their direct staff who meet career service
22 exempt criteria as defined in Subsection 67-19-15(1)(k);

23 (d) certificated employees of the State Board of Education;

24 (e) officers, faculty, and other employees of state institutions of higher education;

25 (f) employees in any position that is determined by statute to be exempt from this
26 Subsection (2);

27 (g) attorneys in the Office of the Attorney General;

28 (h) department heads and other persons appointed by the governor pursuant to statute;

29 (i) employees of the Department of Community and Economic Development whose
30 positions are designated as executive/professional positions by the executive director of the
31 Department of Community and Economic Development with the concurrence of the director; and

32 (j) employees of the Medical Education Council.

33 (3) (a) The director shall prepare, maintain, and revise a position classification plan for
34 each employee position not exempted under Subsection (2) to provide equal pay for equal work.

35 (b) Classification of positions shall be based upon similarity of duties performed and
36 responsibilities assumed, so that the same job requirements and the same salary range may be
37 applied equitably to each position in the same class.

38 (c) The director shall allocate or reallocate the position of each employee in classified
39 service to one of the classes in the classification plan.

40 (d) (i) The department shall conduct periodic studies and desk audits to provide that the
41 classification plan remains reasonably current and reflects the duties and responsibilities assigned
42 to and performed by employees.

43 (ii) The director shall determine the schedule for studies and desk audits after considering
44 factors such as changes in duties and responsibilities of positions or agency reorganizations.

45 (4) (a) With the approval of the governor, the director shall develop and adopt pay plans
46 for each position in classified service.

47 (b) The director shall design each pay plan [~~to achieve~~], to the degree that funds permit,
48 [~~comparability of~~] so that state salary ranges [to] are equal to or greater than salary ranges used by
49 private enterprise [~~and other public employment for similar work~~].

50 (c) The director shall adhere to the following in developing each pay plan:

51 (i) Each pay plan shall consist of sufficient salary ranges to permit adequate salary
52 differential among the various classes of positions in the classification plan.

53 (ii) The director shall assign each class of positions in the classification plan to a salary
54 range and shall set the width of the salary range to reflect the normal growth and productivity
55 potential of employees in that class. The width of the ranges need not be uniform for all classes
56 of positions in the plan, but each range shall contain merit steps in increments of [~~2.75%~~] 3%
57 salary increases.

58 (iii) The director shall issue rules for the administration of pay plans. The rules may

59 provide for exceptional performance increases and for a program of incentive awards for
60 cost-saving suggestions and other commendable acts of employees. The director shall issue rules
61 providing for salary adjustments.

62 (iv) Merit step increases shall be granted, if funds are available, to employees who receive
63 a rating of "successful" or higher in an annual evaluation of their productivity and performance.

64 (v) By October 15 of each year, the director shall submit market comparability adjustments
65 to the state budget officer for consideration to be included as part of the affected agency's base
66 budgets.

67 (vi) By October 31 of each year, the director shall recommend a compensation package
68 to the governor.

69 (vii) Adjustments shall incorporate the results of a total compensation market survey of
70 salary ranges and benefits of a reasonable cross section of comparable benchmark positions in
71 private and public employment in the state. The survey may also study comparable unusual
72 positions requiring recruitment outside Utah in the surrounding western states. The director may
73 cooperate with other public and private employers in conducting the survey.

74 (viii) The director shall establish criteria to assure the adequacy and accuracy of the survey
75 and shall use methods and techniques similar to and consistent with those used in private sector
76 surveys. Except as provided under Section 67-19-12.3, the survey shall include a reasonable cross
77 section of employers. The director may cooperate with or participate in any survey conducted by
78 other public and private employers.

79 (ix) The establishing of a salary range is a nondelegable activity subject to Subsection
80 67-19-8(1) and is not appealable under the grievance procedures of Sections 67-19-30 through
81 67-19-32, Title 67, Chapter 19a, Grievance and Appeal Procedures, or otherwise.

82 (x) The governor shall:

83 (A) consider salary adjustments recommended under Subsection (4)(c)(vi) in preparing
84 the executive budget and shall recommend the method of distributing the adjustments;

85 (B) submit compensation recommendations to the Legislature; and

86 (C) support the recommendation with schedules indicating the cost to individual
87 departments and the source of funds.

88 (xi) If funding is approved by the Legislature in a general appropriations act, the
89 adjustments take effect on the July 1 following the enactment.

90 (5) (a) The director shall regularly evaluate the total compensation program of state
91 employees in the classified service.

92 (b) The department shall determine if employee benefits are comparable to those offered
93 by other private and public employers using information from:

94 (i) the most recent edition of the Employee Benefits Survey Data conducted by the U.S.
95 Chamber of Commerce Research Center; or

96 (ii) the most recent edition of a nationally recognized benefits survey.

97 (6) (a) The director shall submit proposals for a state employee compensation plan to the
98 governor by October 31 of each year, setting forth findings and recommendations affecting state
99 employee compensation.

100 (b) The governor shall consider the director's proposals in preparing budget
101 recommendations for the Legislature.

102 (c) The governor's budget proposals to the Legislature shall include a specific
103 recommendation on state employee compensation.

Legislative Review Note
as of 1-19-01 7:32 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel