

1 **PERSONNEL MANAGEMENT ACT REVISION**

2 2002 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Darin G. Peterson**

5 **This act modifies the Personnel Management Act by adjusting merit step increments.**

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

7 AMENDS:

8 **67-19-12**, as last amended by Chapters 10, 202 and 213, Laws of Utah 1997

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

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

11 **67-19-12. State pay plans -- Applicability of section -- Exemptions -- Duties of**
12 **director.**

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

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

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

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

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

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

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

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

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

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

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



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

(j) employees of the Medical Education Council.

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

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

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

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

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

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

(b) The director shall design each pay plan to achieve, to the degree that funds permit, comparability of state salary ranges to salary ranges used by private enterprise and other public employment for similar work.

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

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

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

(iii) The director shall issue rules for the administration of pay plans. The rules may provide for exceptional performance increases and for a program of incentive awards for

cost-saving suggestions and other commendable acts of employees. The director shall issue rules providing for salary adjustments.

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

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

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

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

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

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

(x) The governor shall:

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

(B) submit compensation recommendations to the Legislature; and

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

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

(5) (a) The director shall regularly evaluate the total compensation program of state

90 employees in the classified service.

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

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

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

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

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

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

Legislative Review Note

as of 1-21-02 6:44 AM

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

Office of Legislative Research and General Counsel