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STATE EMPLOYMENT AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kay J. Christofferson

Senate Sponsor: _____

LONG TITLE

General Description:

This bill enacts and amends provisions related to the employment and management of state personnel.

Highlighted Provisions:

This bill:

- ▶ requires the Division of Human Resource Management (division) to provide training for supervisors of state agency employees;
- ▶ requires a supervisor to attend the training;
- ▶ requires the division to establish a pay for performance management system;
- ▶ requires a state agency, no later than July 1, 2023, to evaluate and pay employees based on performance;
- ▶ provides that a state employee hired in a supervisor position on or after July 1, 2022, is exempt from the career service system;
- ▶ allows a state employee in a supervisor position who holds career service status on July 1, 2022, to retain the employee's career service status or convert to career-service exempt status by July 1, 2023;
- ▶ prohibits the Career Service Review Office from taking jurisdiction of a matter that an employer has not had an opportunity to address;
- ▶ clarifies the process for filing a grievance;
- ▶ repeals longevity and promotion salary increases for certain state employees;



- 28 ▶ except in certain circumstances, requires an employee to submit a grievance within
- 29 10 working days; and
- 30 ▶ makes conforming changes.

31 **Money Appropriated in this Bill:**

32 None

33 **Other Special Clauses:**

34 This bill provides a special effective date.

35 **Utah Code Sections Affected:**

36 AMENDS:

- 37 **63A-17-102**, as renumbered and amended by Laws of Utah 2021, Chapter 344
- 38 **63A-17-106**, as renumbered and amended by Laws of Utah 2021, Chapter 344
- 39 **63A-17-301**, as last amended by Laws of Utah 2021, Chapter 382 and renumbered and
- 40 amended by Laws of Utah 2021, Chapter 344
- 41 **63A-17-307**, as renumbered and amended by Laws of Utah 2021, Chapter 344
- 42 **63I-2-263**, as last amended by Laws of Utah 2021, First Special Session, Chapter 4
- 43 **67-19a-202**, as last amended by Laws of Utah 2021, Chapter 344
- 44 **67-19a-302**, as repealed and reenacted by Laws of Utah 2018, Chapter 390
- 45 **67-19a-401**, as last amended by Laws of Utah 2018, Chapter 390

46 ENACTS:

47 **63A-17-112**, Utah Code Annotated 1953



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

50 Section 1. Section **63A-17-102** is amended to read:

51 **63A-17-102. Definitions.**

52 As used in this chapter:

- 53 (1) "Agency" means any department or unit of Utah state government with authority to
- 54 employ personnel.
- 55 (2) "Career service" means positions under schedule B as defined in Section
- 56 **63A-17-301**.
- 57 (3) "Career service employee" means an employee who has successfully completed a
- 58 probationary period of service in a position covered by the career service.

59 (4) "Career service status" means status granted to employees who successfully
60 complete probationary periods for competitive career service positions.

61 (5) "Classified service" means those positions subject to the classification and
62 compensation provisions of Section 63A-17-307.

63 (6) "Controlled substance" means controlled substance as defined in Section 58-37-2.

64 (7) (a) "Demotion" means a disciplinary action resulting in a reduction of an
65 employee's current actual wage.

66 (b) "Demotion" does not mean:

67 (i) a nondisciplinary movement of an employee to another position without a reduction
68 in the current actual wage; or

69 (ii) a reclassification of an employee's position under the provisions of Subsection
70 63A-17-307(3) and rules made by the department.

71 (8) "Director" means the director of the division.

72 (9) "Disability" means a physical or mental disability as defined and protected under
73 the Americans with Disabilities Act, 42 U.S.C. Section 12101 et seq.

74 (10) "Division" means the Division of Human Resource Management, created in
75 Section 63A-17-105.

76 (11) "Employee" means any individual in a paid status covered by the career service or
77 classified service provisions of this chapter.

78 (12) "Examining instruments" means written or other types of proficiency tests.

79 (13) "Human resource function" means those duties and responsibilities specified:

80 (a) under Section 63A-17-106;

81 (b) under rules of the division; and

82 (c) under other state or federal statute.

83 (14) "Market comparability adjustment" means a salary range adjustment determined
84 necessary through a market survey of salary data and other relevant information.

85 (15) "Probationary employee" means an employee serving a probationary period in a
86 career service position but who does not have career service status.

87 (16) "Probationary period" means that period of time determined by the division that an
88 employee serves in a career service position as part of the hiring process before career service
89 status is granted to the employee.

90 (17) "Probationary status" means the status of an employee between the employee's
91 hiring and the granting of career service status.

92 (18) "Structure adjustment" means a division modification of salary ranges.

93 (19) "Temporary employee" means career service exempt employees described in
94 Subsection [63A-17-301\(1\)\(~~t~~\)r](#).

95 (20) "Total compensation" means salaries and wages, bonuses, paid leave, group
96 insurance plans, retirement, and all other benefits offered to state employees as inducements to
97 work for the state.

98 Section 2. Section **63A-17-106** is amended to read:

99 **63A-17-106. Responsibilities of the director.**

100 (1) The director shall have full responsibility and accountability for the administration
101 of the statewide human resource management system.

102 (2) Except as provided in Section [63A-17-201](#), an agency may not perform human
103 resource functions without the consent of the director.

104 (3) Statewide human resource management rules adopted by the division in accordance
105 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, shall take precedence if there
106 is a conflict with agency rules, policies, or practices.

107 (4) The division may operate as an internal service fund agency in accordance with
108 Section [63J-1-410](#) for the human resource functions the division provides.

109 (5) The director shall:

110 (a) develop, implement, and administer a statewide program of human resource
111 management that will:

112 (i) aid in the efficient execution of public policy;

113 (ii) foster careers in public service for qualified employees; and

114 (iii) render assistance to state agencies in performing their missions;

115 (b) design and administer the state pay plan;

116 (c) design and administer the state classification system and procedures for determining
117 schedule assignments;

118 (d) design and administer the state recruitment and selection system;

119 (e) administer agency human resource practices and ensure compliance with federal
120 law, state law, and state human resource rules, including equal employment opportunity;

- 121 (f) consult with agencies on decisions concerning employee corrective action and
122 discipline;
- 123 (g) maintain central personnel records;
- 124 (h) perform those functions necessary to implement this chapter unless otherwise
125 assigned or prohibited;
- 126 (i) perform duties assigned by the governor, executive director, or statute;
- 127 (j) adopt rules for human resource management according to the procedures of Title
128 63G, Chapter 3, Utah Administrative Rulemaking Act;
- 129 (k) establish and maintain a management information system that will furnish the
130 governor, the Legislature, and agencies with current information on authorized positions,
131 payroll, and related matters concerning state human resources;
- 132 (l) conduct research and planning activities to:
- 133 (i) determine and prepare for future state human resource needs;
- 134 (ii) develop methods for improving public human resource management; and
- 135 (iii) propose needed policy changes to the governor;
- 136 (m) study the character, causes, and extent of discrimination in state employment and
137 develop plans for its elimination through programs consistent with federal and state laws
138 governing equal employment opportunity in employment;
- 139 (n) when requested by charter schools or counties, municipalities, and other political
140 subdivisions of the state, provide technical service, training recommendations, or advice on
141 human resource management at a charge determined by the director;
- 142 (o) establish compensation policies and procedures for early voluntary retirement;
- 143 (p) confer with the heads of other agencies about human resource policies and
144 procedures;
- 145 (q) submit an annual report to the executive director, the governor, and the Legislature;
146 and
- 147 (r) assist with the development of a vacant position report required under Subsection
148 [63J-1-201\(2\)\(b\)\(vi\)](#).
- 149 (6) (a) After consultation with the executive director, the governor, and the heads of
150 other agencies, the director shall establish and coordinate statewide training programs,
151 including ~~[and subject to available funding, the development of manager and supervisor~~

152 ~~training]~~ training described in Subsection (6)(e).

153 (b) The programs developed under this Subsection (6) shall have application to more
154 than one agency.

155 (c) The division may not establish training programs that train employees to perform
156 highly specialized or technical jobs and tasks.

157 (d) The division shall ensure that any training program described in this Subsection (6)
158 complies with Title 63G, Chapter 22, State Training and Certification Requirements.

159 (e) (i) As used in this Subsection (6)(e):

160 (A) "Employee" means the same as that term is defined in Section [63A-17-112](#).

161 (B) "Supervisor" means an individual in a position that requires the regular supervision
162 and performance evaluation of an employee who is paid for performance in accordance with
163 Section [63A-17-112](#).

164 (ii) A supervisor shall attend the training:

165 (A) within six months of being promoted or hired to the position of supervisor; and

166 (B) at least annually.

167 (iii) Training attendance and the effective use of training information and principles
168 shall be considered in an evaluation of a supervisor's job performance.

169 (iv) The training shall include:

170 (A) effective employee management and evaluation methods based on the pay for
171 performance management system described in Section [63A-17-112](#);

172 (B) instruction to improve supervisor and employee communications;

173 (C) best practices for recognizing and retaining high-performing employees;

174 (D) best practices for addressing poor-performing employees; and

175 (E) any other information and principles identified by the division to improve
176 management or organizational effectiveness.

177 (7) (a) (i) The division may collect fees for training as authorized by this Subsection
178 (7).

179 (ii) Training funded from General Fund appropriations shall be treated as a separate
180 program within the department budget.

181 (iii) All money received from fees under this section will be accounted for by the
182 department as a separate user driven training program.

183 (iv) The user training program includes the costs of developing, procuring, and
184 presenting training and development programs, and other associated costs for these programs.

185 (b) (i) Funds remaining at the end of the fiscal year in the user training program are
186 nonlapsing.

187 (ii) Each year, as part of the appropriations process, the Legislature shall review the
188 amount of nonlapsing funds remaining at the end of the fiscal year and may, by statute, require
189 the department to lapse a portion of the funds.

190 Section 3. Section **63A-17-112** is enacted to read:

191 **63A-17-112. Pay for performance management system -- Employees paid for**
192 **performance.**

193 (1) As used in this section:

194 (a) (i) "Agency" means, except as provided in Subsection (1)(a)(ii), the same as that
195 term is defined in Section [63A-17-102](#).

196 (ii) "Agency" does not include the State Board of Education, the Office of the State
197 Treasurer, Office of the State Auditor, Office of the State Attorney General, Utah System of
198 Higher Education, the Legislature, the judiciary, or, as defined Section [63E-1-102](#), an
199 independent entity.

200 (b) (i) "Employee" means an employee of an agency.

201 (ii) "Employee" does not include an individual in a schedule AB, as described in
202 Section [63A-17-301](#), position.

203 (c) "Pay for performance" means a plan for incentivizing an employee for meeting or
204 exceeding production or performance goals, in which the plan is well-defined before work
205 begins, eligible work groups are defined, specific goals and targets for the employee are
206 determined, measurement procedures are in place, and specific incentives are provided when
207 goals and targets are met.

208 (d) "Pay for performance management system" means the system described in
209 Subsection (2).

210 (2) The division shall establish and, in accordance with Title 63G, Chapter 3, Utah
211 Administrative Rulemaking Act, make rules for the administration of a pay for performance
212 management system.

213 (3) The pay for performance management system shall include:

- 214 (a) guidelines and criteria for an agency to adopt pay for performance policies and
215 administer pay based on an employee's performance in furtherance of the agency's mission;
216 (b) employee performance ratings;
217 (c) requirements for written employee performance standards and expectations;
218 (d) supervisor verbal and written feedback based on the standards of performance and
219 behavior outlined in an employee's performance plan; and
220 (e) quarterly written evaluation of an employee's performance.
221 (4) In consultation with the division, no later than July 1, 2023, each agency shall:
222 (a) adopt pay for performance policies based on the performance management system;
223 and
224 (b) subject to available funds and as necessary, adjust an employee's wage to reflect:
225 (i) for a classified service employee, the salary range of the position classified plan for
226 the employee's position; and
227 (ii) an increase, decrease, or no change in the employee's wage:
228 (A) commensurate to an employee's performance as reflected by the employee's
229 evaluation conducted in accordance with the pay for performance management system; and
230 (B) in an amount that is in accordance with the guidelines and criteria established for a
231 wage change in the pay for performance management system.

232 Section 4. Section **63A-17-301** is amended to read:

233 **63A-17-301. Career service -- Exempt positions -- Schedules for civil service**
234 **positions -- Coverage of career service provisions.**

235 (1) Except as [~~otherwise provided by law or by rules and regulations established for~~
236 ~~federally aided programs~~] provided in Subsection (3)(d), the following positions are exempt
237 from the career service provisions of this chapter and are designated under the following
238 schedules:

- 239 (a) schedule AA includes the governor, members of the Legislature, and all other
240 elected state officers;
- 241 (b) schedule AB includes appointed executives and board or commission executives
242 enumerated in Section [67-22-2](#);
- 243 (c) schedule AC includes all employees and officers in:
- 244 (i) the office and at the residence of the governor;

- 245 (ii) the Public Lands Policy Coordinating Office;
- 246 (iii) the Office of the State Auditor; and
- 247 (iv) the Office of the State Treasurer;
- 248 (d) schedule AD includes employees who:
- 249 (i) are in a confidential relationship to an agency head or commissioner; and
- 250 (ii) report directly to, and are supervised by, a department head, commissioner, or
- 251 deputy director of an agency or its equivalent;
- 252 (e) schedule AE includes each employee of the State Board of Education that the State
- 253 Board of Education designates as exempt from the career service provisions of this chapter;
- 254 (f) schedule AG includes employees in the Office of the Attorney General who are
- 255 under their own career service pay plan under Sections [67-5-7](#) through [67-5-13](#);
- 256 (g) schedule AH includes:
- 257 (i) teaching staff of all state institutions; and
- 258 (ii) employees of the Utah Schools for the Deaf and the Blind who are:
- 259 (A) educational interpreters as classified by the division; or
- 260 (B) educators as defined by Section [53E-8-102](#);
- 261 (h) schedule AN includes employees of the Legislature;
- 262 (i) schedule AO includes employees of the judiciary;
- 263 (j) schedule AP includes all judges in the judiciary;
- 264 (k) schedule AQ includes:
- 265 (i) members of state and local boards and councils appointed by the governor and
- 266 governing bodies of agencies;
- 267 (ii) a water commissioner appointed under Section [73-5-1](#);
- 268 (iii) other local officials serving in an ex officio capacity; and
- 269 (iv) officers, faculty, and other employees of state universities and other state
- 270 institutions of higher education;
- 271 (l) schedule AR includes employees in positions that involve responsibility:
- 272 (i) for determining policy;
- 273 (ii) for determining the way in which a policy is carried out; or
- 274 (iii) of a type not appropriate for career service, as determined by the agency head with
- 275 the concurrence of the director;

- 276 (m) schedule AS includes any other employee:
277 (i) whose appointment is required by statute to be career service exempt;
278 (ii) whose agency is not subject to this chapter; or
279 (iii) whose agency has authority to make rules regarding the performance,
280 compensation, and bonuses for its employees;
- 281 (n) schedule AT includes employees of the Division of Technology Services,
282 designated as executive/professional positions by the director of the Division of Technology
283 Services with the concurrence of the director of the division;
- 284 (o) schedule AU includes patients and inmates employed in state institutions;
- 285 (p) employees of the Department of Workforce Services, designated as schedule AW:
286 (i) who are temporary employees that are federally funded and are required to work
287 under federally qualified merit principles as certified by the director; or
288 (ii) for whom substantially all of their work is repetitive, measurable, or transaction
289 based, and who voluntarily apply for and are accepted by the Department of Workforce
290 Services to work in a pay for performance program designed by the Department of Workforce
291 Services with the concurrence of the director of the division; [~~and~~]
- 292 (q) subject to Subsection (6), schedule AX includes employees in positions that:
293 (i) require the regular supervision and performance evaluation of one or more other
294 employees; and
295 (ii) are not designated exempt from career service under any other schedule described
296 in this Subsection (1); and
- 297 [~~(r)~~] (r) for employees in positions that are temporary, seasonal, time limited, funding
298 limited, or variable hour in nature, under schedule codes and parameters established by the
299 division by administrative rule.
- 300 (2) The civil service shall consist of two schedules as follows:
301 (a) (i) Schedule A is the schedule consisting of positions under Subsection (1).
302 (ii) Removal from any appointive position under schedule A, unless otherwise
303 regulated by statute, is at the pleasure of the appointing officers without regard to tenure.
304 (b) Schedule B is the competitive career service schedule, consisting of:
305 (i) all positions filled through competitive selection procedures as defined by the
306 director; or

307 (ii) positions filled through a division approved on-the-job examination intended to
308 appoint a qualified person with a disability, or a veteran in accordance with Title 71, Chapter
309 10, Veterans Preference.

310 (3) (a) The director, after consultation with the heads of concerned executive branch
311 departments and agencies and with the approval of the governor, shall allocate positions to the
312 appropriate schedules under this section.

313 (b) Agency heads shall make requests and obtain approval from the director before
314 changing the schedule assignment and tenure rights of any position.

315 (c) Unless the director's decision is reversed by the governor, when the director denies
316 an agency's request, the director's decision is final.

317 (d) (i) An agency may file with the division a request to reschedule a position that
318 would otherwise be scheduled as a schedule A position.

319 (ii) The division shall review a request filed under Subsection (3)(d)(i) and approve the
320 request only if the exception is necessary to conform to a requirement imposed as a condition
321 precedent to receipt of federal funds or grant of a tax benefit under federal law.

322 (4) (a) Compensation for employees of the Legislature shall be established by the
323 directors of the legislative offices in accordance with Section 36-12-7.

324 (b) Compensation for employees of the judiciary shall be established by the state court
325 administrator in accordance with Section 78A-2-107.

326 (c) Compensation for officers, faculty, and other employees of state universities and
327 institutions of higher education shall be established as provided in Title 53B, Chapter 1,
328 Governance, Powers, Rights, and Responsibilities, and Title 53B, Chapter 2, Institutions of
329 Higher Education.

330 (d) Unless otherwise provided by law, compensation for all other schedule A
331 employees shall be established by their appointing authorities, within ranges approved by, and
332 after consultation with the director.

333 (5) An employee who is in a position designated schedule AC and who holds career
334 service status on June 30, 2010, shall retain the career service status if the employee:

335 (a) remains in the position that the employee is in on June 30, 2010; and

336 (b) does not elect to convert to career service exempt status in accordance with a rule
337 made by the division.

338 (6) (a) An employee who is hired for a schedule AX position on or after July 1, 2022,
339 is exempt from career service status.

340 (b) An employee who before or on July 1, 2022, is a career service employee employed
341 in a schedule B position that is rescheduled to a schedule AX position on July 1, 2022, shall
342 maintain the employee's career service status for the duration of the employee's employment in
343 the same position unless the employee voluntarily converts to career service exempt status
344 before July 1, 2023.

345 (c) (i) Subject to Subsection (6)(c)(ii), an employee is exempt from career service
346 status if:

347 (A) before July 1, 2022, the employee was a probationary employee in a schedule B
348 position and had not completed the probationary period; and

349 (B) on July 1, 2022, the schedule B position in which the probationary employee is
350 employed is rescheduled as a scheduled AX position.

351 (ii) An employee described in Subsection (6)(c)(i):

352 (A) is not a probationary employee on or after July 1, 2022; and

353 (B) is exempt from career service status on and after July 1, 2022, unless the employee
354 changes employment to a schedule B position.

355 (d) The division shall disseminate to each employee described in Subsection (6)(b)
356 information on financial and other incentives for voluntary conversion to career-service exempt
357 status.

358 Section 5. Section **63A-17-307** is amended to read:

359 **63A-17-307. State pay plans -- Applicability of section -- Exemptions -- Duties of**
360 **director.**

361 (1) (a) This section, and the rules adopted by the division to implement this section,
362 apply to each career and noncareer employee not specifically exempted under Subsection (2).

363 (b) If not exempted under Subsection (2), an employee is considered to be in classified
364 service.

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

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

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

368 (c) elected members of the executive branch and employees designated as schedule AC

- 369 as provided under Subsection 63A-17-301(1)(c);
- 370 (d) employees of the State Board of Education;
- 371 (e) officers, faculty, and other employees of state institutions of higher education;
- 372 (f) employees in a position that is specified by statute to be exempt from this
- 373 Subsection (2);
- 374 (g) employees in the Office of the Attorney General;
- 375 (h) department heads and other persons appointed by the governor under statute;
- 376 (i) schedule AS employees as provided under Subsection 63A-17-301(1)(m);
- 377 (j) department deputy directors, division directors, and other employees designated as
- 378 schedule AD as provided under Subsection 63A-17-301(1)(d);
- 379 (k) employees that determine and execute policy designated as schedule AR as
- 380 provided under Subsection 63A-17-301(1)(l);
- 381 (l) teaching staff, educational interpreters, and educators designated as schedule AH as
- 382 provided under Subsection 63A-17-301(1)(g);
- 383 (m) temporary employees described in Subsection 63A-17-301(1)(~~r~~)(r);
- 384 (n) patients and inmates designated as schedule AU as provided under Subsection
- 385 63A-17-301(1)(o) who are employed by state institutions; and
- 386 (o) members of state and local boards and councils and other employees designated as
- 387 schedule AQ as provided under Subsection 63A-17-301(1)(k).
- 388 (3) (a) The director shall prepare, maintain, and revise a position classification plan for
- 389 each employee position not exempted under Subsection (2) to provide equal pay for equal
- 390 work.
- 391 (b) Classification of positions shall be based upon similarity of duties performed and
- 392 responsibilities assumed, so that the same job requirements and the same salary range may be
- 393 applied equitably to each position in the same class.
- 394 (c) The director shall allocate or reallocate the position of each employee in classified
- 395 service to one of the classes in the classification plan.
- 396 (d) (i) The division shall conduct periodic studies and interviews to provide that the
- 397 classification plan remains reasonably current and reflects the duties and responsibilities
- 398 assigned to and performed by employees.
- 399 (ii) The director shall determine the need for studies and interviews after considering

400 factors such as changes in duties and responsibilities of positions or agency reorganizations.

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

403 (b) The director shall design each pay plan to achieve, to the degree that funds permit,
404 comparability of state salary ranges to the market using data obtained from private enterprise
405 and other public employment for similar work.

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

407 (i) each pay plan shall consist of sufficient salary ranges to:

408 (A) permit adequate salary differential among the various classes of positions in the
409 classification plan; and

410 (B) reflect the normal growth and productivity potential of employees in that class.

411 (ii) The director shall issue rules for the administration of pay plans.

412 (d) The establishing of a salary range is a nondelegable activity and is not appealable
413 under the grievance procedures of Part 6, Grievance Provisions, Title 67, Chapter 19a,
414 Grievance Procedures, or otherwise.

415 (e) The director shall issue rules providing for:

416 (i) agency approved salary adjustments within approved salary ranges, including an
417 administrative salary adjustment; and

418 ~~[(ii) legislatively approved salary adjustments within approved salary ranges, including~~
419 ~~a merit increase, subject to Subsection (4)(f), or general increase; and]~~

420 ~~[(iii)]~~ (ii) structure adjustments that modify salary ranges, including a cost of living
421 adjustment or market comparability adjustment.

422 ~~[(f) A merit increase shall be granted on a uniform and consistent basis to each~~
423 ~~employee who receives a rating of "successful" or higher in an annual evaluation of the~~
424 ~~employee's productivity and performance.]~~

425 (5) (a) On or before October 31 of each year, the director shall submit an annual
426 compensation plan to the executive director and the governor for consideration in the executive
427 budget.

428 (b) The plan described in Subsection (5)(a) may include recommendations, including:

429 (i) salary increases that generally affect employees, including a general increase or
430 merit increase;

431 (ii) salary increases that address compensation issues unique to an agency or
432 occupation;

433 (iii) structure adjustments, including a cost of living adjustment or market
434 comparability adjustment; or

435 (iv) changes to employee benefits.

436 (c) (i) (A) Subject to Subsection (5)(c)(i)(B) or (C), the director shall incorporate the
437 results of a salary survey of a reasonable cross section of comparable positions in private and
438 public employment in the state into the annual compensation plan.

439 (B) The salary survey for a law enforcement officer, as defined in Section 53-13-103, a
440 correctional officer, as defined in Section 53-13-104, or a dispatcher, as defined in Section
441 53-6-102, shall at minimum include the three largest political subdivisions in the state that
442 employ, respectively, comparable positions.

443 (C) The salary survey for an examiner or supervisor described in Title 7, Chapter 1,
444 Part 2, Department of Financial Institutions, shall at minimum include the Federal Deposit
445 Insurance Corporation, Federal Reserve, and National Credit Union Administration.

446 (ii) The director may cooperate with or participate in any survey conducted by other
447 public and private employers.

448 (iii) The director shall obtain information for the purpose of constructing the survey
449 from the Division of Workforce Information and Payment Services and shall include employer
450 name, number of persons employed by the employer, employer contact information and job
451 titles, county code, and salary if available.

452 (iv) The division shall acquire and protect the needed records in compliance with the
453 provisions of Section 35A-4-312.

454 (d) The director may incorporate any other relevant information in the plan described
455 in Subsection (5)(a), including information on staff turnover, recruitment data, or external
456 market trends.

457 (e) The director shall:

458 (i) establish criteria to assure the adequacy and accuracy of data used to make
459 recommendations described in this Subsection (5); and

460 (ii) when preparing recommendations use accepted methodologies and techniques
461 similar to and consistent with those used in the private sector.

462 (f) (i) Upon request and subject to Subsection (5)(f)(ii), the division shall make
463 available foundational information used by the division or director in the drafting of a plan
464 described in Subsection (5)(a), including:

- 465 (A) demographic and labor market information;
- 466 (B) information on employee turnover;
- 467 (C) salary information;
- 468 (D) information on recruitment; and
- 469 (E) geographic data.

470 (ii) The division may not provide under Subsection (5)(f)(i) information or other data
471 that is proprietary or otherwise protected under the terms of a contract or by law.

472 (g) The governor shall:

473 (i) consider salary and structure adjustments recommended under Subsection (5)(b) in
474 preparing the executive budget and shall recommend the method of distributing the
475 adjustments;

476 (ii) submit compensation recommendations to the Legislature; and

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

479 (h) If funding is approved by the Legislature in a general appropriations act, the
480 adjustments take effect on the July 1 following the enactment unless otherwise indicated.

481 (6) (a) The director shall issue rules for the granting of incentive awards, including
482 awards for cost saving actions, awards for commendable actions by an employee, or a
483 market-based award to attract or retain employees.

484 (b) An agency may not grant a market-based award unless the award is previously
485 approved by the division.

486 (c) In accordance with Subsection (6)(b), an agency requesting the division's approval
487 of a market-based award shall submit a request and documentation, subject to Subsection
488 (6)(d), to the division.

489 (d) In the documentation required in Subsection (6)(c), the requesting agency shall
490 identify for the division:

491 (i) any benefit the market-based award would provide for the agency, including:

- 492 (A) budgetary advantages; or

493 (B) recruitment advantages;
494 (ii) a mission critical need to attract or retain unique or hard to find skills in the market;
495 or

496 (iii) any other advantage the agency would gain through the utilization of a
497 market-based award.

498 (7) (a) The director shall regularly evaluate the total compensation program of state
499 employees in the classified service.

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

502 (i) a study conducted by a third-party consultant; or
503 (ii) the most recent edition of a nationally recognized benefits survey.

504 Section 6. Section **63I-2-263** is amended to read:

505 **63I-2-263. Repeal dates, Title 63A to Title 63N.**

506 (1) Section [63A-3-111](#) is repealed June 30, 2021.

507 (2) Section [63A-17-303](#) is repealed July 1, 2022.

508 (3) Subsection [63A-17-304](#)(1)(c) is repealed July 1, 2022.

509 [~~2~~] (4) Title 63C, Chapter 19, Higher Education Strategic Planning Commission is
510 repealed July 1, 2021.

511 [~~3~~] (5) Title 63C, Chapter 22, Digital Wellness, Citizenship, and Safe Technology
512 Commission is repealed July 1, 2023.

513 [~~4~~] (6) Section [63G-1-502](#) is repealed July 1, 2022.

514 [~~5~~] (7) The following sections regarding the World War II Memorial Commission are
515 repealed on July 1, 2022:

516 (a) Section [63G-1-801](#);

517 (b) Section [63G-1-802](#);

518 (c) Section [63G-1-803](#); and

519 (d) Section [63G-1-804](#).

520 [~~6~~] (8) Section [63H-7a-303](#) is repealed July 1, 2024.

521 [~~7~~] (9) Subsection [63J-1-206](#)(3)(c), relating to coronavirus, is repealed July 1, 2021.

522 [~~8~~] (10) Sections [63M-7-213](#) and [63M-7-213.5](#) are repealed on January 1, 2023.

523 [~~9~~] (11) Section [63M-7-217](#) is repealed on July 1, 2022.

524 [~~(10)~~] (12) Title 63N, Chapter 13, Part 3, Facilitating Public-private Partnerships Act,
525 is repealed January 1, 2024.

526 [~~(11)~~] (13) Title 63N, Chapter 15, COVID-19 Economic Recovery Programs, is
527 repealed December 31, 2021.

528 Section 7. Section **67-19a-202** is amended to read:

529 **67-19a-202. Powers -- Scope of authority.**

530 (1) The office shall serve as the final administrative body to review a grievance from a
531 career service employee and an agency of a decision regarding:

532 (a) a dismissal;

533 (b) a demotion;

534 (c) a suspension;

535 (d) a reduction in force;

536 (e) a dispute concerning abandonment of position;

537 (f) a wage grievance if an employee is not placed within the salary range of the
538 employee's current position;

539 (g) a violation of a rule adopted under Title 63A, Chapter 17, Utah State Personnel
540 Management Act; or

541 (h) except as provided by Subsection [~~(4)~~] (5), equitable administration of the
542 following benefits:

543 (i) long-term disability insurance;

544 (ii) medical insurance;

545 (iii) dental insurance;

546 (iv) post-retirement health insurance;

547 (v) post-retirement life insurance;

548 (vi) life insurance;

549 (vii) defined contribution retirement;

550 (viii) defined benefit retirement; and

551 (ix) a leave benefit.

552 (2) The office shall serve as the final administrative body to review a grievance by a
553 reporting employee alleging retaliatory action.

554 (3) The office shall serve as the final administrative body to review, without an

555 evidentiary hearing, the findings of an abusive conduct investigation described in Section
556 [67-26-202](#) of a state executive branch agency employee.

557 (4) The office may not take jurisdiction of a matter that an employer has not had an
558 opportunity to address.

559 ~~[(4)]~~ (5) The office may not review or take action on:

560 (a) a personnel matter not listed in Subsections (1) through (3);

561 (b) a personnel matter listed in Subsections (1) through (3) that alleges discrimination
562 or retaliation related to a claim of discrimination that is a violation of a state or federal law for
563 which review and action by the office is preempted by state or federal law; or

564 (c) a personnel matter related to a claim for which an administrative review process is
565 provided by statute and administered by:

566 (i) the Utah State Retirement Systems under Title 49, Utah State Retirement and
567 Insurance Benefit Act;

568 (ii) the Public Employees' Benefit and Insurance Program under Title 49, Chapter 20,
569 Public Employees' Benefit and Insurance Program Act; or

570 (iii) the Public Employees' Long-Term Disability Program under Title 49, Chapter 21,
571 Public Employees' Long-Term Disability Act.

572 ~~[(5)]~~ (6) The time limits established in this chapter supersede the procedural time limits
573 established in Title 63G, Chapter 4, Administrative Procedures Act.

574 Section 8. Section **67-19a-302** is amended to read:

575 **67-19a-302. Levels of procedure.**

576 (1) The administration of all grievances under Subsection [67-19a-202\(1\)](#) occurs on the
577 following four levels:

578 (a) Level 1 - the supervisor;

579 (b) Level 2 - the division director or the director's designee;

580 (c) Level 3 - the agency director or the director's designee; and

581 (d) Level 4 - the office.

582 (2) (a) Except as provided in Subsection (2)(b), Section [67-19a-402.5](#), and Section
583 [67-19a-501](#), and subject to applicable time limits as provided in this chapter, an employee;

584 (i) shall file a grievance [or complaint at Level 1 and proceed through the levels of
585 procedure within the applicable time limits provided in this chapter.] at the lowest level

586 described in Subsection (1) that has not already issued a decision, taken action, or declined to
 587 address the subject of the grievance; and

588 (ii) may proceed for further review of a grievance in accordance with Section
 589 67-19a-402.

590 (b) If a supervisor or division director is a subject of a grievance or complaint, the
 591 employee may proceed directly to Level 2 or Level 3, respectively.

592 (c) An employee may not file a grievance that asks the same manager or a lower-level
 593 manager to reconsider a previously made decision.

594 (3) A career service employee may advance all grievances to Level 3.

595 (4) In accordance with Section 67-19a-402.5 and subject to Section 67-21-4, a
 596 reporting employee may file a grievance alleging retaliatory action directly at Level 4.

597 Section 9. Section 67-19a-401 is amended to read:

598 **67-19a-401. Time limits for submission and advancement of grievance by**
 599 **aggrieved employee -- Voluntary termination of employment -- Group grievances.**

600 ~~[(1) When a career service employee files a grievance at Level 1, as described in~~
 601 ~~Section 67-19a-302, the employee shall advance the grievance through the proper levels of~~
 602 ~~procedure specified in this chapter.]~~

603 ~~[(2) The]~~ (1) An aggrieved career service employee and the person to whom the
 604 grievance is directed may agree in writing to waive or extend grievance steps specified under
 605 Subsection 67-19a-402(1), (2), or (3) or the time limits specified for those grievance steps, as
 606 outlined in Section 67-19a-402.

607 ~~[(3)]~~ (2) Any writing made under Subsection ~~[(2)]~~ (1) shall be submitted to the
 608 administrator.

609 ~~[(4)]~~ (3) Except as provided under Subsections (5) and (6) ~~[and (7)]~~, if the employee
 610 fails to advance the grievance to the next procedural step within the time limits established in
 611 this part:

612 (a) the employee waives the right to advance the grievance or to obtain judicial review
 613 of the grievance; and

614 (b) the grievance is considered to be settled based on the decision made at the last
 615 procedural step.

616 ~~[(5)]~~ (4) An employee may file a grievance for review under this chapter, except as

617 provided in Subsections (5) and (6) [~~and (7)~~], if the employee submits the grievance within
618 [~~30~~] 10 working days after:

619 (a) the most recent event giving rise to the grievance; or
620 (b) the employee has knowledge of the most recent event giving rise to the grievance.

621 [~~(6)~~] (5) (a) An employee may file with the office a motion for an enlargement of a
622 time limit described in Subsection [~~(5)~~] (4).

623 (b) In determining whether to grant a motion described in Subsection [~~(6)~~] (5)(a), the
624 office shall consider, giving reasonable deference to the employee, whether:

625 (i) the employee filed the motion before the time limit the employee seeks to enlarge;
626 or

627 (ii) the enlargement is necessary to remedy the employee's excusable neglect.

628 [~~(7)~~] (6) The provisions of Subsections (3) and (4) [~~and (5)~~] do not apply if the
629 employee meets the requirements for excusable neglect as that term is defined in Section
630 67-19a-101.

631 [~~(8)~~] (7) (a) If several employees allege the same grievance, the employees may submit
632 a group grievance by following the procedures and requirements of this chapter.

633 (b) In submitting a group grievance, each aggrieved employee shall sign the grievance.

634 (c) The administrator may not treat a group grievance as a class action, but may select
635 one aggrieved employee's grievance and address that grievance as a test case.

636 Section 10. **Effective date.**

637 This bill takes effect on May 4, 2022, except that the amendments to:

638 (1) Sections [63A-17-102](#), [63A-17-301](#), [63A-17-307](#) take effect July 1, 2022; and

639 (2) Sections [63A-17-106](#) and [63A-17-112](#) take effect July 1, 2023.