

### **Act 499 Pay Plan Summary**

- Creates a Student Loan Program to assist state employees in repaying student loans.
  - This program is optional for each department or agency and requires them to promulgate rules if they choose to participate.
  - Program shall be administered through existing appropriations.
  - Maximum allowable repayment is \$10,000.
- Establishes a new Pay Grade Structure with 6 new pay tables. There is no connection or formula to compare or crosswalk the new pay tables from the previous pay table structure. They are independent from each other.
  - State Government Services (SGS) – majority of state employees fall in this category.
  - Medical (MED)
  - Specialized Services (SPC) – certified and licensed professions like accountants, attorneys, engineers, etc.
  - Law Enforcement (LES) – Includes the option to create a step plan for classifications within this table after approval by Legislative Council or the Joint Budget Committee.
  - Information Systems and Technology (IST)
  - Executive Pay (EXE)
- Reduces the current number of 2500 classifications/job titles down to 850.
- Groups like jobs into a job series to create career paths for employees.
  - Provides employees opportunities for promotion without taking on supervisory or managerial duties.
- Establishes a process allowing departments to reassign positions (similar to a Reallocation of Resources) from one division within a department to another.
  - Requires approval by Legislative Council or the Joint Budget Committee before positions can be moved.
  - May include transfer of appropriation and funding, but shall not exceed more than 5% of the total appropriation and funding.
  - May use this language up to 4 times in a fiscal year.
  - Creates an emergency process through approval of Legislative Council or Joint Budget Chairs.
- OPM may establish Special Rates of Pay, up to 40% over the entry salary for classifications or positions as a compensation rate adjustment.

- These Special Rates of pay will be reported to Legislative Council or Joint Budget Committee.
  - Anything over 40% must come to Legislative Council or Joint Budget Committee for approval.
  - This language may be used when tasking employees with additional duties due to the reduction of other staff.
  - OPM may require the department or agency to block or freeze the recently vacated positions if they shift those duties to remaining employees.
- Language regarding promotions for state employees was updated and states: “An employee who is promoted ~~shall~~ is eligible to receive a salary increase up to ten percent (10%).”
    - Includes language that OPM will establish policies regarding the process for promotions, after review by Arkansas Legislative Council or the Joint Budget Committee.
- New language was created to provide for “hard to fill or retain” differentials up to 10%.
    - May include geographic challenges, high risk or hazardous duty.
    - OPM will establish a plans and policies to provide these differentials after approval by Arkansas Legislative Council or the Joint Budget Committee.
- The OPM Growth Pool and Swap Pool have been reduced based on the updated classification and grade changes.
    - Growth Pool is reduced from 500 positions down to 250
    - Swap Pool is reduced from 1500 to 500.
- The classifications for the Lottery Commission as listed in ACA 23-115-305 have been updated to utilize the new pay plan structure and pay tables.
- An uncodified crosswalk was created to tie the current authorized positions, titles, and grades within the executive branch to the new class code, title and grade structure as established within the new pay plan.
    - OPM was given the authority to adjust position classifications and grades to the new pay plan structure following governors’ letters and member amendments that were adopted and not incorporated into the pay plan act.