

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

A Bill

SENATE BILL 755

5 By: Joint Budget Committee
6
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE UNIFORM CLASSIFICATION AND
10 COMPENSATION ACT FOR THE 2003-2005 BIENNIAL
11 PERIOD; AND FOR OTHER PURPOSES.
12

Subtitle

13 AN ACT TO AMEND THE UNIFORM
14 CLASSIFICATION AND COMPENSATION ACT FOR
15 THE 2003-2005 BIENNIAL PERIOD.
16
17
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
20

21 SECTION 1. Arkansas Code § 21-5-209 is amended to read as follows:
22 21-5-209. Compensation plan.

23 (a) There is established for state agencies and institutions covered
24 by the provisions of this subchapter a compensation plan for the setting of
25 salaries and salary increases, where deserved, of all employees serving in
26 positions covered by this subchapter.

27 (b) No employee shall be paid at a rate of pay higher than the
28 appropriate rate in the grade assigned to his or her class, and no employee
29 shall be paid more than the maximum for his or her grade, provided that
30 employees presently employed in a position who are being paid at a rate in
31 excess of the maximum for their assigned grade may continue to receive their
32 rate of pay.

33 (c) It is the specific intent of the General Assembly to authorize, in
34 the enactment of this compensation plan, maximum rates of pay for each of the
35 appropriate grades assigned to a class, but it is not the intent that any pay
36 increases shall be automatic or that any employee shall have a claim or a



1 right thereto unless the department head of the agency or the institution
 2 shall determine that the employee, by experience, ability, and work
 3 performance, has earned the increase in pay authorized for the appropriate
 4 rate.

5 (d)(1) The following grades and pay levels shall be the authorized
 6 compensation plan, effective ~~July 1, 2001~~ July 1, 2003, for the state service
 7 for all positions of agencies and institutions covered by this subchapter to
 8 which a classification title and salary grade have been assigned, in
 9 accordance with this subchapter and the appropriation act of the agency or
 10 institution:

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12	<u>GRADE</u>	<u>LEVEL I</u>	<u>LEVEL II</u>	<u>LEVEL III</u>	<u>LEVEL IV</u>
13		I	II	III	IV
14	1	11,614	11,614	11,614	12,083
15	2	11,614	13,971	16,625	22,111
16	3	11,987	14,255	16,940	22,563
17	4	11,987	14,538	17,288	23,050
18	5	11,987	14,823	17,637	23,438
19	6	12,167	15,108	17,984	23,957
20	7	12,422	15,423	18,363	24,409
21	8	12,674	15,739	18,711	24,927
22	9	13,148	16,308	19,405	25,800
23	10	14,001	17,382	20,671	27,483
24	11	14,918	18,490	21,998	29,296
25	12	15,866	19,690	23,450	31,208
26	13	16,910	20,986	24,969	33,245
27	14	18,017	22,345	26,581	35,415
28	15	19,185	23,799	28,319	37,682
29	16	20,449	25,347	30,151	40,175
30	17	21,587	26,992	32,112	42,764
31	18	23,166	28,730	34,197	45,548
32	19	24,715	30,626	36,440	48,527
33	20	26,295	32,618	38,813	51,732
34	21	28,034	34,735	41,309	55,131
35	22	29,837	36,979	43,995	58,595
36	23	31,765	39,381	46,871	62,415

1	24	33,850	41,940	49,906	66,461
2	25	36,030	44,659	53,160	70,767
3	26	38,368	47,566	56,606	75,396

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5 (2) The following grades and pay levels shall be the authorized
6 compensation plan, effective ~~July 1, 2002~~ July 1, 2004, and thereafter, for
7 the state service for all positions of agencies and institutions covered by
8 this subchapter to which a classification title and salary grade have been
9 assigned, in accordance with this subchapter and the appropriation act of the
10 agency or institution:

11

12	<u>GRADE</u>	<u>LEVEL I</u>	<u>LEVEL II</u>	<u>LEVEL III</u>	<u>LEVEL IV</u>
13		I	II	III	IV
14	1	11,916	11,916	11,916	12,397
15	2	11,916	14,334	17,058	22,686
16	3	12,298	14,626	17,381	23,149
17	4	12,298	14,916	17,738	23,649
18	5	12,298	15,208	18,096	24,047
19	6	12,484	15,501	18,451	24,580
20	7	12,745	15,824	18,841	25,043
21	8	13,004	16,148	19,198	25,575
22	9	13,490	16,732	19,909	26,471
23	10	14,365	17,834	21,208	28,198
24	11	15,306	18,970	22,570	30,058
25	12	16,279	20,202	24,060	32,019
26	13	17,349	21,531	25,618	34,110
27	14	18,485	22,926	27,272	36,336
28	15	19,684	24,418	29,055	38,662
29	16	20,981	26,006	30,935	41,220
30	17	22,148	27,694	32,947	43,876
31	18	23,768	29,477	35,086	46,732
32	19	25,358	31,422	37,388	49,788
33	20	26,979	33,466	39,822	53,077
34	21	28,763	35,638	42,383	56,564
35	22	30,613	37,941	45,139	60,118
36	23	32,591	40,405	48,089	64,037

1	24	34,730	43,030	51,203	68,189
2	25	36,967	45,820	54,542	72,607
3	26	39,366	48,803	58,078	77,356

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5 (e) It is the intent of the General Assembly that the compensation
 6 plan provided for in subsections (a) through (d) of this section shall be
 7 implemented and function in compliance with the Regular Salary Procedures and
 8 Restrictions Act, § 21-5-101 et seq., other provisions in the Uniform
 9 Classification and Compensation Act, § 21-5-201 et seq., and other fiscal
 10 control laws of this state, where applicable.

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12 SECTION 2. Arkansas Code § 21-5-211 is amended to read as follows:

13 21-5-211. Implementation procedure for grade changes - Salary
 14 adjustments.

15 (a) The Office of Personnel Management of the Division of Management
 16 Services of the Department of Finance and Administration shall have
 17 administrative responsibility for enforcing compliance by state agencies and
 18 institutions affected by this subchapter in implementing classification grade
 19 changes.

20 (b) Subject to funds and appropriations being provided, the following
 21 implementation procedures shall apply to state agencies and institutions
 22 covered by the provisions of this subchapter, commencing on July 1 of each
 23 fiscal year:

24 (1) The maximum annual salary rate for which an employee covered
 25 by the provisions of this subchapter shall be eligible for each year of the
 26 biennium shall be determined as follows:

27 (A)(i) ~~The maximum rate of compensation for which an~~
 28 ~~employee shall be eligible on July 1, 2001, shall be determined by increasing~~
 29 ~~the employee's June 30, 2001, salary by two and six tenths percent (2.6%).~~
 30 For employees whose annual salary rate on June 30 is:

31 (a) Twenty-one thousand one hundred twenty-
 32 eight dollars (\$21,128) or less, the employee is eligible for an annual
 33 increase of five hundred seventy dollars (\$570);

34 (b) Twenty-one thousand one hundred twenty-
 35 eight dollars (\$21,128) to fifty thousand dollars (\$50,000), the employee is
 36 eligible for an annual salary increase of five hundred seventy dollars (\$570)

1 plus two and seven-tenths percent (2.7%) of the amount that the employee's
 2 June 30 salary exceeds twenty-one thousand one hundred twenty-eight dollars
 3 (\$21,128);

4 (c) Fifty thousand and one dollars (\$50,001)
 5 to ninety thousand dollars (\$90,000), the employee is eligible for an annual
 6 increase of one thousand three hundred fifty dollars (\$1,350) plus one and
 7 nine tenths percent (1.9%) of the amount that the employee's June 30 salary
 8 exceeds fifty thousand dollars (\$50,000); and

9 (d) Ninety thousand and one dollars (\$90,001)
 10 and above, the employee is eligible for an annual increase of two thousand
 11 one hundred ten dollars (\$2,110) plus one and four tenths percent (1.4%) of
 12 the amount that the employee's June 30 salary exceeds ninety thousand dollars
 13 (\$90,000);

14 (ii) Employees whose salaries fall below Pay Level I
 15 for the grade assigned to their classification may be adjusted to the entry
 16 level.

17 (iii) All other employees' salaries shall be
 18 adjusted to the appropriate pay level for the grade assigned to their
 19 classification but may not exceed the maximum rate provided for that grade
 20 unless otherwise provided for by this section; .

21 (iv) Employees whose June 30 annual salary rate is
 22 at Pay Level IV shall be eligible for the increase provided in subdivisions
 23 (a) through (d) of this section, but the increase shall be paid as a lump sum
 24 on June 30 of the year in which the increase is to occur;

25 ~~(B)(i) The maximum rate of compensation for which an~~
 26 ~~employee shall be eligible on July 1, 2002, shall be determined by increasing~~
 27 ~~the employee's June 30, 2002, salary by two and six tenths percent (2.6%).~~

28 ~~(ii) Employees whose salaries fall below Pay Level I~~
 29 ~~for the grade assigned to their classification may be adjusted to the entry~~
 30 ~~level.~~

31 ~~(iii) All other employees' salaries shall be~~
 32 ~~adjusted to the appropriate pay level for the grade assigned to their~~
 33 ~~classification but may not exceed the maximum rate provided for that grade~~
 34 ~~unless otherwise provided for by this section;~~

35 ~~(G)(B)~~ Salary adjustments provided for in this section
 36 shall be made for all employees covered by the provisions of this subchapter

1 prior to all other salary adjustments;

2 ~~(D)~~(C) When an employee is demoted for cause or voluntarily
3 solicits a demotion, his or her rate of pay shall be fixed in the lower-
4 graded position at a rate equal to six percent (6%) less than the employee's
5 rate of pay at the time of demotion for demotions of one (1) grade and a
6 maximum of eight percent (8%) less than the employee's rate of pay at the
7 time of demotion for demotions of two (2) or more grades;

8 ~~(E)(i)~~ During the 2001-2003 biennium, employees covered by
9 the provisions of this subchapter shall be eligible for an additional two
10 percent (2%) salary increase each year of the biennium, provided that the
11 Chief Fiscal Officer of the State determines that sufficient general revenues
12 become available and provided that the additional two percent (2%) salary
13 increase shall not allow an employee's compensation to exceed the amount set
14 out for Level IV for the position.

15 ~~(ii)~~ Employees compensated at Pay Level IV shall be
16 eligible to receive the two percent (2%) salary increase authorized in this
17 section during the 2001-2003 biennium as lump sum payments and the payments
18 shall not be construed as exceeding the maximum salary;

19 ~~(F)~~(D)(i) An employee who due to legislative enactment is
20 to be compensated at a higher grade, i.e., an upgrade, than that which was in
21 effect on June 30 of the previous fiscal year shall be eligible for an
22 additional six percent (6%) increase in his or her maximum annual salary in
23 the new grade.

24 (ii) An employee who due to legislative enactment is
25 to be compensated at a lower grade, i.e., a downgrade, than that which was in
26 effect on June 30 of the previous year shall not have his or her maximum
27 salary rate reduced due to the grade reduction, and the employee's salary
28 shall remain constant until that employee's assigned grade maximum is equal
29 to or exceeds the employee's established salary; and

30 ~~(G)~~(E)(i) Any employee whose specific job assignment
31 requires the skill to communicate in a language other than English, including
32 American Sign Language, and that skill is required as a secondary minimum
33 qualification by the classification specification for the position occupied
34 by the employee, shall be eligible to be paid up to an additional ten percent
35 (10%) of the employee's annual salary as set by § 21-5-209.

36 (ii) In those instances where the granting of the

1 additional compensation would have the effect of exceeding the maximum annual
2 rate for the grade assigned to the employee's classification, the additional
3 compensation shall not be considered as exceeding the maximum allowable rate
4 for that grade.

5 (iii) An employee who is receiving additional
6 compensation under the provisions of this section and who moves into a
7 position that does not require the skill to communicate in a language other
8 than English, or whose position no longer requires the use of the skill,
9 shall revert, on the effective date of the change, to the rate of pay for
10 which the employee would otherwise receive.

11 (iv) Authority to implement the provisions of this
12 subsection may be approved by the Office of Personnel Management after review
13 of the Legislative Council for specific positions identified by agencies and
14 institutions of higher education;

15 (2)(A) Employees promoted on or after July 1, 1999, shall have
16 the maximum annual salary for which they are eligible established as follows:

17 (i) For a minor promotion, the employee's maximum
18 rate of pay shall be increased by six percent (6%); and

19 (ii) For a major promotion, the employee's maximum
20 rate of pay shall be increased by eight percent (8%).

21 (B)(i) An employee who upon promotion is receiving a rate
22 of pay below Pay Level I for the new grade may be adjusted to the entry level
23 for that grade. In no event, however, may an employee's rate of pay upon
24 promotion exceed the amount provided for by Pay Level IV of the grade
25 assigned to the classification.

26 (ii) An employee's anniversary date shall not change
27 due to promotion;

28 (3)(A) Any employee who is assigned to a position in a
29 classification the employee formerly occupied within a twelve-month period
30 after promotion from the classification shall be eligible for a rate of pay
31 no greater than that for which the employee would have been eligible had the
32 employee remained in the lower-graded classification.

33 (B) Any employee who is placed in a lower-graded position
34 because the original position has expired due to lack of funding, program
35 changes, or withdrawal of federal grant funds may continue to be paid at the
36 same rate as the employee was being paid in the higher-graded position upon

1 approval of the Office of Personnel Management after seeking the review of
 2 the Legislative Council; and

3 (4)(A)(i) When an employee's position has been approved for
 4 reclassification to a classification title of a higher salary grade, the
 5 employee shall be eligible for an additional six percent (6%) increase in the
 6 new classification.

7 (ii) Upon reclassification, the salary of an
 8 employee who is receiving a rate of pay that is less than the entrance rate
 9 for the new grade may be adjusted to the new entrance rate.

10 (B) When an employee's position has been approved for
 11 reclassification to a classification title of a lower salary grade, the
 12 employee's pay shall be fixed at a rate in the lower grade which does not
 13 exceed the employee's rate of pay in the higher-graded position at the time
 14 of reclassification.

15 (c)(1) In the event that the Chief Fiscal Officer of the State
 16 determines that general revenue funds are insufficient to implement the
 17 salary increases authorized in this subchapter or by any other law which
 18 affects salary increases for state employees, the Chief Fiscal Officer of the
 19 State, upon approval of the Governor, may reduce the percentage of all
 20 authorized salary increases for all state employees covered by this
 21 subchapter without regard to whether the employees are compensated from
 22 general or special revenues, federal funds, or trust funds.

23 (2) Provided that, if sufficient general revenues should then
 24 become available at any time during the biennium to provide the maximum
 25 additional salary increases for all state employees without regard to the
 26 source of revenues, salary increases for state employees provided for in this
 27 subchapter or by any other law may then be fully implemented by the Chief
 28 Fiscal Officer of the State.

29 (d) All percentage calculations stipulated in this subchapter or any
 30 other law affecting salaries of state employees may be rounded to the nearest
 31 even dollar amount by the Office of Personnel Management when making the
 32 percentage changes to state employee salaries.

33
 34 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
 35 General Assembly of the State of Arkansas that several changes in
 36 compensation levels enacted during the previous session of the General

1 Assembly were applicable to the current biennium and that without this act
2 becoming effective at the beginning of the fiscal year state employees could
3 not be compensated at the approved level. Therefore, an emergency is
4 declared to exist and this act being necessary for the preservation of the
5 public peace, health, and safety shall become effective on July 1, 2003.

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