

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 85th General Assembly  
3 Regular Session, 2005

# A Bill

HOUSE BILL 2089

4  
5 By: Joint Budget Committee  
6  
7

## For An Act To Be Entitled

9 AN ACT TO REVISE THE COMPENSATION PLAN UNDER THE  
10 UNIFORM CLASSIFICATION AND COMPENSATION ACT FOR  
11 THE 2005-2007 BIENNIAL PERIOD; AND FOR OTHER  
12 PURPOSES.  
13

## Subtitle

14 AN ACT TO REVISE THE COMPENSATION PLAN  
15 UNDER THE UNIFORM CLASSIFICATION AND  
16 COMPENSATION ACT FOR THE 2005-2007  
17 BIENNIAL PERIOD.  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 SECTION 1. Arkansas Code § 21-5-209 is amended to read as follows:  
24 21-5-209. Compensation plan.

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

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

35 (c) It is the specific intent of the General Assembly to authorize, in  
36 the enactment of this compensation plan, maximum rates of pay for each of the



1 appropriate grades assigned to a class, but it is not the intent that any pay  
 2 increases shall be automatic or that any employee shall have a claim or a  
 3 right thereto unless the department head of the agency or the institution  
 4 shall determine that the employee, by experience, ability, and work  
 5 performance, has earned the increase in pay authorized for the appropriate  
 6 rate.

7 (d)(1) The following grades and pay levels shall be the authorized  
 8 compensation plan, effective ~~July 1, 2003~~ July 1, 2005, for the state service  
 9 for all positions of agencies and institutions covered by this subchapter to  
 10 which a classification title and salary grade have been assigned, in  
 11 accordance with this subchapter and the appropriation act of the agency or  
 12 institution:

	<del>PAY LEVEL</del>	<del>I</del>	<del>II</del>	<del>III</del>	<del>IV</del>	
14	<del>GRADE</del>	<del>1</del>	<del>\$11,916</del>	<del>\$11,916</del>	<del>\$11,916</del>	<del>\$12,397</del>
15	<del>GRADE</del>	<del>2</del>	<del>\$11,916</del>	<del>\$14,334</del>	<del>\$17,058</del>	<del>\$22,686</del>
16	<del>GRADE</del>	<del>3</del>	<del>\$12,298</del>	<del>\$14,626</del>	<del>\$17,381</del>	<del>\$23,149</del>
17	<del>GRADE</del>	<del>4</del>	<del>\$12,298</del>	<del>\$14,916</del>	<del>\$17,738</del>	<del>\$23,649</del>
18	<del>GRADE</del>	<del>5</del>	<del>\$12,298</del>	<del>\$15,208</del>	<del>\$18,096</del>	<del>\$24,047</del>
19	<del>GRADE</del>	<del>6</del>	<del>\$12,484</del>	<del>\$15,501</del>	<del>\$18,451</del>	<del>\$24,580</del>
20	<del>GRADE</del>	<del>7</del>	<del>\$12,745</del>	<del>\$15,824</del>	<del>\$18,841</del>	<del>\$25,043</del>
21	<del>GRADE</del>	<del>8</del>	<del>\$13,004</del>	<del>\$16,148</del>	<del>\$19,198</del>	<del>\$25,575</del>
22	<del>GRADE</del>	<del>9</del>	<del>\$13,490</del>	<del>\$16,732</del>	<del>\$19,909</del>	<del>\$26,471</del>
23	<del>GRADE</del>	<del>10</del>	<del>\$14,365</del>	<del>\$17,834</del>	<del>\$21,208</del>	<del>\$28,198</del>
24	<del>GRADE</del>	<del>11</del>	<del>\$15,306</del>	<del>\$18,970</del>	<del>\$22,570</del>	<del>\$30,058</del>
25	<del>GRADE</del>	<del>12</del>	<del>\$16,279</del>	<del>\$20,202</del>	<del>\$24,060</del>	<del>\$32,019</del>
26	<del>GRADE</del>	<del>13</del>	<del>\$17,349</del>	<del>\$21,531</del>	<del>\$25,618</del>	<del>\$34,110</del>
27	<del>GRADE</del>	<del>14</del>	<del>\$18,485</del>	<del>\$22,926</del>	<del>\$27,272</del>	<del>\$36,336</del>
28	<del>GRADE</del>	<del>15</del>	<del>\$19,684</del>	<del>\$24,418</del>	<del>\$29,055</del>	<del>\$38,662</del>
29	<del>GRADE</del>	<del>16</del>	<del>\$20,981</del>	<del>\$26,006</del>	<del>\$30,935</del>	<del>\$41,220</del>
30	<del>GRADE</del>	<del>17</del>	<del>\$22,148</del>	<del>\$27,694</del>	<del>\$32,947</del>	<del>\$43,876</del>
31	<del>GRADE</del>	<del>18</del>	<del>\$23,768</del>	<del>\$29,477</del>	<del>\$35,086</del>	<del>\$46,732</del>
32	<del>GRADE</del>	<del>19</del>	<del>\$25,358</del>	<del>\$31,422</del>	<del>\$37,388</del>	<del>\$49,788</del>
33	<del>GRADE</del>	<del>20</del>	<del>\$26,979</del>	<del>\$33,466</del>	<del>\$39,822</del>	<del>\$53,077</del>
34	<del>GRADE</del>	<del>21</del>	<del>\$28,763</del>	<del>\$35,638</del>	<del>\$42,383</del>	<del>\$56,564</del>
35	<del>GRADE</del>	<del>22</del>	<del>\$30,613</del>	<del>\$37,941</del>	<del>\$45,139</del>	<del>\$60,118</del>
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1	<del>GRADE 23</del>	<del>\$32,591</del>	<del>\$40,405</del>	<del>\$48,089</del>	<del>\$64,037</del>
2	<del>GRADE 24</del>	<del>\$34,730</del>	<del>\$43,030</del>	<del>\$51,203</del>	<del>\$68,189</del>
3	<del>GRADE 25</del>	<del>\$36,967</del>	<del>\$45,820</del>	<del>\$54,542</del>	<del>\$72,607</del>
4	<del>GRADE 26</del>	<del>\$39,366</del>	<del>\$48,803</del>	<del>\$58,078</del>	<del>\$77,356</del>

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6	PAY LEVEL	I	IM	II	IIM	III	IIIM	IV
7	Grade 1	\$12,605	\$12,605	\$12,605	\$12,605	\$12,605	\$12,687	\$12,768
8	Grade 2	\$12,605	\$13,685	\$14,764	\$16,167	\$17,570	\$20,468	\$23,367
9	Grade 3	\$13,009	\$14,037	\$15,065	\$16,484	\$17,902	\$20,873	\$23,843
10	Grade 4	\$13,009	\$14,186	\$15,363	\$16,817	\$18,270	\$21,315	\$24,358
11	Grade 5	\$13,009	\$14,337	\$15,664	\$17,152	\$18,639	\$21,704	\$24,768
12	Grade 6	\$13,206	\$14,586	\$15,966	\$17,485	\$19,004	\$22,161	\$25,317
13	Grade 7	\$13,482	\$14,891	\$16,299	\$17,853	\$19,406	\$22,600	\$25,794
14	Grade 8	\$13,756	\$15,195	\$16,632	\$18,203	\$19,774	\$23,058	\$26,342
15	Grade 9	\$14,270	\$15,752	\$17,234	\$18,871	\$20,506	\$23,886	\$27,265
16	Grade 10	\$15,196	\$16,783	\$18,369	\$20,107	\$21,842	\$25,444	\$29,044
17	Grade 11	\$16,191	\$17,865	\$19,539	\$21,393	\$23,246	\$27,103	\$30,960
18	Grade 12	\$17,220	\$19,014	\$20,808	\$22,795	\$24,782	\$28,881	\$32,979
19	Grade 13	\$18,353	\$20,265	\$22,177	\$24,282	\$26,386	\$30,760	\$35,133
20	Grade 14	\$19,554	\$21,584	\$23,614	\$25,852	\$28,090	\$32,758	\$37,426
21	Grade 15	\$20,822	\$22,986	\$25,150	\$27,539	\$29,927	\$34,875	\$39,822
22	Grade 16	\$22,194	\$24,490	\$26,786	\$29,325	\$31,863	\$37,160	\$42,457
23	Grade 17	\$23,428	\$25,977	\$28,525	\$31,231	\$33,935	\$39,564	\$45,192
24	Grade 18	\$25,142	\$27,752	\$30,361	\$33,250	\$36,138	\$42,136	\$48,134
25	Grade 19	\$26,824	\$29,595	\$32,365	\$35,437	\$38,510	\$44,895	\$51,282
26	Grade 20	\$28,538	\$31,504	\$34,470	\$37,743	\$41,016	\$47,843	\$54,669
27	Grade 21	\$30,426	\$33,566	\$36,707	\$40,181	\$43,654	\$50,958	\$58,261
28	Grade 22	\$32,382	\$35,731	\$39,079	\$42,786	\$46,493	\$54,208	\$61,921
29	Grade 23	\$34,475	\$38,046	\$41,617	\$45,574	\$49,532	\$57,745	\$65,958
30	Grade 24	\$36,738	\$40,529	\$44,321	\$48,530	\$52,739	\$61,487	\$70,235
31	Grade 25	\$39,104	\$43,150	\$47,194	\$51,686	\$56,178	\$65,482	\$74,785
32	Grade 26	\$41,642	\$45,954	\$50,267	\$55,044	\$59,820	\$69,749	\$79,676

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34 (2) The following grades and pay levels shall be the authorized  
 35 compensation plan, effective ~~July 1, 2004~~ July 1, 2006, and thereafter, for  
 36 the state service for all positions of agencies and institutions covered by

1 this subchapter to which a classification title and salary grade have been  
 2 assigned, in accordance with this subchapter and the appropriation act of the  
 3 agency or institution:

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PAY LEVEL	I	II	III	IV
GRADE 1	\$12,238	\$12,238	\$12,238	\$12,397
GRADE 2	\$12,238	\$14,334	\$17,058	\$22,686
GRADE 3	\$12,630	\$14,626	\$17,381	\$23,149
GRADE 4	\$12,630	\$14,916	\$17,738	\$23,649
GRADE 5	\$12,630	\$15,208	\$18,096	\$24,047
GRADE 6	\$12,821	\$15,501	\$18,451	\$24,580
GRADE 7	\$13,089	\$15,824	\$18,841	\$25,043
GRADE 8	\$13,355	\$16,148	\$19,198	\$25,575
GRADE 9	\$13,854	\$16,732	\$19,909	\$26,471
GRADE 10	\$14,753	\$17,834	\$21,208	\$28,198
GRADE 11	\$15,719	\$18,970	\$22,570	\$30,058
GRADE 12	\$16,718	\$20,202	\$24,060	\$32,019
GRADE 13	\$17,818	\$21,531	\$25,618	\$34,110
GRADE 14	\$18,984	\$22,926	\$27,272	\$36,336
GRADE 15	\$20,215	\$24,418	\$29,055	\$38,662
GRADE 16	\$21,547	\$26,006	\$30,935	\$41,220
GRADE 17	\$22,746	\$27,694	\$32,947	\$43,876
GRADE 18	\$24,410	\$29,477	\$35,086	\$46,732
GRADE 19	\$26,043	\$31,422	\$37,388	\$49,788
GRADE 20	\$27,707	\$33,466	\$39,822	\$53,077
GRADE 21	\$29,540	\$35,638	\$42,383	\$56,564
GRADE 22	\$31,439	\$37,941	\$45,139	\$60,118
GRADE 23	\$33,471	\$40,405	\$48,089	\$64,037
GRADE 24	\$35,668	\$43,030	\$51,203	\$68,189
GRADE 25	\$37,965	\$45,820	\$54,542	\$72,607
GRADE 26	\$40,429	\$48,803	\$58,078	\$77,356

PAY LEVEL	I	IM	II	IIM	III	IIIM	IV
Grade 1	\$12,983	\$12,983	\$12,983	\$12,983	\$12,983	\$13,068	\$13,151
Grade 2	\$12,983	\$14,095	\$15,207	\$16,652	\$18,097	\$21,082	\$24,068
Grade 3	\$13,399	\$14,458	\$15,517	\$16,979	\$18,439	\$21,499	\$24,559

1	<u>Grade 4</u>	<u>\$13,399</u>	<u>\$14,612</u>	<u>\$15,824</u>	<u>\$17,321</u>	<u>\$18,818</u>	<u>\$21,954</u>	<u>\$25,089</u>
2	<u>Grade 5</u>	<u>\$13,399</u>	<u>\$14,767</u>	<u>\$16,134</u>	<u>\$17,666</u>	<u>\$19,198</u>	<u>\$22,355</u>	<u>\$25,511</u>
3	<u>Grade 6</u>	<u>\$13,602</u>	<u>\$15,023</u>	<u>\$16,445</u>	<u>\$18,010</u>	<u>\$19,574</u>	<u>\$22,826</u>	<u>\$26,077</u>
4	<u>Grade 7</u>	<u>\$13,886</u>	<u>\$15,337</u>	<u>\$16,787</u>	<u>\$18,389</u>	<u>\$19,988</u>	<u>\$23,278</u>	<u>\$26,568</u>
5	<u>Grade 8</u>	<u>\$14,168</u>	<u>\$15,650</u>	<u>\$17,131</u>	<u>\$18,749</u>	<u>\$20,367</u>	<u>\$23,750</u>	<u>\$27,132</u>
6	<u>Grade 9</u>	<u>\$14,698</u>	<u>\$16,224</u>	<u>\$17,751</u>	<u>\$19,437</u>	<u>\$21,121</u>	<u>\$24,602</u>	<u>\$28,083</u>
7	<u>Grade 10</u>	<u>\$15,651</u>	<u>\$17,286</u>	<u>\$18,920</u>	<u>\$20,710</u>	<u>\$22,497</u>	<u>\$26,207</u>	<u>\$29,915</u>
8	<u>Grade 11</u>	<u>\$16,676</u>	<u>\$18,401</u>	<u>\$20,125</u>	<u>\$22,035</u>	<u>\$23,943</u>	<u>\$27,916</u>	<u>\$31,888</u>
9	<u>Grade 12</u>	<u>\$17,736</u>	<u>\$19,584</u>	<u>\$21,432</u>	<u>\$23,479</u>	<u>\$25,525</u>	<u>\$29,747</u>	<u>\$33,969</u>
10	<u>Grade 13</u>	<u>\$18,903</u>	<u>\$20,873</u>	<u>\$22,842</u>	<u>\$25,011</u>	<u>\$27,178</u>	<u>\$31,683</u>	<u>\$36,187</u>
11	<u>Grade 14</u>	<u>\$20,140</u>	<u>\$22,231</u>	<u>\$24,322</u>	<u>\$26,627</u>	<u>\$28,933</u>	<u>\$33,741</u>	<u>\$38,549</u>
12	<u>Grade 15</u>	<u>\$21,446</u>	<u>\$23,676</u>	<u>\$25,905</u>	<u>\$28,365</u>	<u>\$30,824</u>	<u>\$35,921</u>	<u>\$41,017</u>
13	<u>Grade 16</u>	<u>\$22,859</u>	<u>\$25,225</u>	<u>\$27,590</u>	<u>\$30,205</u>	<u>\$32,819</u>	<u>\$38,275</u>	<u>\$43,730</u>
14	<u>Grade 17</u>	<u>\$24,131</u>	<u>\$26,756</u>	<u>\$29,381</u>	<u>\$32,168</u>	<u>\$34,953</u>	<u>\$40,751</u>	<u>\$46,548</u>
15	<u>Grade 18</u>	<u>\$25,897</u>	<u>\$28,585</u>	<u>\$31,272</u>	<u>\$34,248</u>	<u>\$37,223</u>	<u>\$43,400</u>	<u>\$49,578</u>
16	<u>Grade 19</u>	<u>\$27,629</u>	<u>\$30,483</u>	<u>\$33,336</u>	<u>\$36,500</u>	<u>\$39,665</u>	<u>\$46,242</u>	<u>\$52,820</u>
17	<u>Grade 20</u>	<u>\$29,394</u>	<u>\$32,450</u>	<u>\$35,504</u>	<u>\$38,876</u>	<u>\$42,247</u>	<u>\$49,279</u>	<u>\$56,309</u>
18	<u>Grade 21</u>	<u>\$31,339</u>	<u>\$34,573</u>	<u>\$37,808</u>	<u>\$41,387</u>	<u>\$44,964</u>	<u>\$52,487</u>	<u>\$60,009</u>
19	<u>Grade 22</u>	<u>\$33,354</u>	<u>\$36,802</u>	<u>\$40,251</u>	<u>\$44,070</u>	<u>\$47,888</u>	<u>\$55,834</u>	<u>\$63,779</u>
20	<u>Grade 23</u>	<u>\$35,510</u>	<u>\$39,187</u>	<u>\$42,865</u>	<u>\$46,941</u>	<u>\$51,018</u>	<u>\$59,477</u>	<u>\$67,937</u>
21	<u>Grade 24</u>	<u>\$37,840</u>	<u>\$41,745</u>	<u>\$45,651</u>	<u>\$49,986</u>	<u>\$54,321</u>	<u>\$63,331</u>	<u>\$72,342</u>
22	<u>Grade 25</u>	<u>\$40,277</u>	<u>\$44,444</u>	<u>\$48,610</u>	<u>\$53,237</u>	<u>\$57,864</u>	<u>\$67,447</u>	<u>\$77,029</u>
23	<u>Grade 26</u>	<u>\$42,891</u>	<u>\$47,333</u>	<u>\$51,775</u>	<u>\$56,695</u>	<u>\$61,615</u>	<u>\$71,841</u>	<u>\$82,067</u>

24

25 (e) It is the intent of the General Assembly that the compensation  
 26 plan provided for in this section shall be implemented and function in  
 27 compliance with other provisions in this subchapter, the Regular Salary  
 28 Procedures and Restrictions Act, § 21-5-101, and other fiscal control laws of  
 29 this state, where applicable.

30

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

32 21-5-211. Implementation procedure for grade changes - Salary  
 33 adjustments.

34 (a) The Office of Personnel Management of the Division of Management  
 35 Services of the Department of Finance and Administration shall have  
 36 administrative responsibility for enforcing compliance by state agencies and

1 institutions affected by this subchapter in implementing classification grade  
2 changes.

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

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

10 (A)(i) For employees whose annual salary rate on June 30  
11 is:

12 (a) ~~Twenty one thousand one hundred twenty-~~  
13 ~~eight dollars (\$21,128) or less, the employee is eligible for an annual~~  
14 ~~increase of five hundred seventy dollars (\$570)~~ Twenty thousand dollars  
15 (\$20,000) or less, the employee is eligible for an annual increase of six  
16 hundred dollars (\$600);

17 (b) ~~Twenty one thousand one hundred twenty-~~  
18 ~~eight dollars (\$21,128) to fifty thousand dollars (\$50,000), the employee is~~  
19 ~~eligible for an annual salary increase of five hundred seventy dollars (\$570)~~  
20 ~~plus two and seven tenths percent (2.7%) of the amount that the employee's~~  
21 ~~June 30 salary exceeds twenty one thousand one hundred twenty eight dollars~~  
22 ~~(\$21,128)~~ More than twenty thousand dollars (\$20,000) but not more than fifty  
23 thousand dollars (\$50,000), the employee is eligible for an annual salary  
24 increase of six hundred dollars (\$600) plus three percent (3%) of the amount  
25 that the employee's June 30 salary exceeds twenty thousand dollars (\$20,000);

26 (c) ~~Fifty thousand and one dollars (\$50,001)~~  
27 ~~to ninety thousand dollars (\$90,000), the employee is eligible for an annual~~  
28 ~~increase of one thousand three hundred fifty dollars (\$1,350) plus one and~~  
29 ~~nine tenths percent (1.9%) of the amount that the employee's June 30 salary~~  
30 ~~exceeds fifty thousand dollars (\$50,000)~~ More than fifty thousand dollars  
31 (\$50,000) but not more than ninety thousand dollars (\$90,000), the employee  
32 is eligible for an annual salary increase of one thousand five hundred  
33 dollars (\$1,500) plus one and nine tenths percent (1.9%) of the amount that  
34 the employee's June 30 salary exceeds fifty thousand dollars (\$50,000); and

35 (d) ~~Ninety thousand and one dollars (\$90,001)~~  
36 ~~and above, the employee is eligible for an annual increase of two thousand~~

1 ~~one hundred ten dollars (\$2,110) plus one and four tenths percent (1.4%) of~~  
 2 ~~the amount that the employee's June 30 salary exceeds ninety thousand dollars~~  
 3 ~~(\$90,000). More than ninety thousand dollars (\$90,000), the employee is~~  
 4 ~~eligible for an annual salary increase of two thousand two hundred sixty~~  
 5 ~~dollars (\$2,260) plus one and five tenths percent (1.5%) of the amount that~~  
 6 ~~the employee's June 30 salary exceeds ninety thousand dollars (\$90,000).~~

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

10 (iii) All other employees' salaries shall be  
 11 adjusted to the appropriate pay level for the grade assigned to their  
 12 classification but may not exceed the maximum rate provided for that grade  
 13 unless otherwise provided for by this section.

14 (iv) Employees whose June 30 annual salary rate is  
 15 at Pay Level IV shall be eligible for the increase provided in subdivisions  
 16 (b)(1)(A)(i)(a) - (b)(1)(A)(i)(d) of this section, but the increase shall be  
 17 paid as a lump sum on June 30 of the year in which the increase is to occur;

18 (B) Salary adjustments provided for in this section shall  
 19 be made for all employees covered by the provisions of this subchapter prior  
 20 to all other salary adjustments;

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

27 (D)(i) Employees covered by the provisions of this  
 28 subchapter shall be eligible for an additional two percent (2%) salary  
 29 increase each year of the biennium, provided that:

30 (a) The Chief Fiscal Officer of the State  
 31 determines that sufficient general revenues become available; and

32 (b) The additional two percent (2%) salary  
 33 increase shall not allow an employee's compensation to exceed the amount set  
 34 out for Pay Level IV for the position.

35 (ii) Employees compensated at Pay Level IV shall be  
 36 eligible to receive the two percent (2%) salary increase authorized in this

1 section during the biennium as lump sum payments, and the payments shall not  
 2 be construed as exceeding the maximum salary;

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

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

14 (F)(i) Any employee whose specific job assignment requires  
 15 the skill to communicate in a language other than English, including American  
 16 Sign Language, and that skill is required as a secondary minimum  
 17 qualification by the classification specification for the position occupied  
 18 by the employee, shall be eligible to be paid up to an additional ten percent  
 19 (10%) of the employee's annual salary as set by § 21-5-209.

20 (ii) In those instances where the granting of the  
 21 additional compensation would have the effect of exceeding the maximum annual  
 22 rate for the grade assigned to the employee's classification, the additional  
 23 compensation shall not be considered as exceeding the maximum allowable rate  
 24 for that grade.

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

31 (iv) Authority to implement the provisions of this  
 32 subsection may be approved by the office after review of the Legislative  
 33 Council for specific positions identified by agencies and institutions of  
 34 higher education;

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



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

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

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

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

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

17 (B) Any employee who is placed in a lower-graded position  
 18 because the original position has expired due to lack of funding, program  
 19 changes, or withdrawal of federal grant funds may continue to be paid at the  
 20 same rate as the employee was being paid in the higher-graded position upon  
 21 approval of the office after seeking the review of the Legislative Council;  
 22 and

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

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

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

35 (c)(1) In the event that the Chief Fiscal Officer of the State  
 36 determines that general revenue funds are insufficient to implement the

1 salary increases authorized in this subchapter or by any other law which  
2 affects salary increases for state employees, the Chief Fiscal Officer of the  
3 State, upon approval of the Governor, may reduce the percentage of all  
4 authorized salary increases for all state employees covered by this  
5 subchapter without regard to whether the employees are compensated from  
6 general or special revenues, federal funds, or trust funds.

7 (2) However, if sufficient general revenues should then become  
8 available at any time during the biennium to provide the maximum additional  
9 salary increases for all state employees without regard to the source of  
10 revenues, salary increases for state employees provided for in this  
11 subchapter or by any other law may then be fully implemented by the Chief  
12 Fiscal Officer of the State.

13 (d) All percentage calculations stipulated in this subchapter or any  
14 other law affecting salaries of state employees may be rounded to the nearest  
15 even dollar amount by the office when making the percentage changes to state  
16 employee salaries.

17  
18 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the  
19 General Assembly of the State of Arkansas that changes in the compensation  
20 plan in the state compensation system have been approved for use by state  
21 agencies; that these changes must go into effect at the beginning of the  
22 fiscal year when the new agency budgets go into effect; and that this act is  
23 necessary on July 1, 2005, because state agencies will not be able to  
24 function properly without this act taking effect on the first day of the new  
25 fiscal year. Therefore, an emergency is declared to exist and this act being  
26 necessary for the preservation of the public peace, health, and safety shall  
27 become effective on July 1, 2005.