

MINUTES OF THE SELECT COMMITTEE ON STATE EMPLOYEE PAY PLAN

The meeting was called to order by Chairman Pat George at 12:10 P.M. on March 6, 2008 in Room 786 of the Docking State Office Building.

All members were present.

Committee staff present:

Alan Conroy, Kansas Legislative Research Department  
J. G. Scott, Kansas Legislative Research Department  
Jim Wilson, Revisor of Statutes Office  
Cyndie Rexer, Committee Assistant

Conferees appearing before the committee:

Representative Pat George, Chairman  
Gary Adkins, Executive Director, State Employees Association of Kansas  
Barbara Nagel, The Kansas Council of Classified Senates  
Jane Carter, Kansas Organization of State Employees

Others attending:

See attached list.

The minutes of February 20, 2008 were distributed. Representative Hawk moved the minutes be approved. Representative Tafanelli seconded the motion. The minutes were approved.

The Chairman thanked Wichita State University, Pittsburg State University, Kansas State University and Fort Hays State University for providing lunch for the committee and staff.

Chairman George turned the meeting over to Vice Chairman Tafanelli who recognized the Chairman as the first conferee. Chairman George spoke in support of **HB 2916** as a new way of thinking, a new way for state employees to be rewarded, and a new way for the State of Kansas to do business. He stated the key points and components of the bill and explained that in the first year of the plan, the longevity bonus currently paid to employees will move to their base salary. There will be no longevity bonus after the first year. The new plan takes all factors, including how long you have been employed, into account when rewarding employees. (Attachment 1) Chairman George stood for questions. Representative Hawk asked for a written response on the mechanics of the bill. Staff will provide the response.

Gary Adkins spoke in support of the bill with the exception of eliminating longevity bonuses. Elimination of the longevity bonus would break tradition and show the hardworking employees of the State of Kansas that their efforts toward gaining experience to better serve the citizens of the State of Kansas has no value. He stated that the provision that calls for replacing the bonus with a like increase in base salary is flawed in that the employee who is presently above market and is eligible for a longevity bonus would receive a base salary increase equal in value to their bonus thus raising their salary even further above market. For the employee below market rate, the increase in the base salary to replace their longevity bonus would cause the employee to partially fund the raising of his or her salary to market rate. Those employees who have 9 years of experience and anticipating a longevity bonus in the next year would lose forever the benefits of a longevity bonus. Mr. Adkins feels that eliminating a long-held tradition of rewarding dedicated and loyal employees causes a lack of trust between the employee and the State of Kansas. (Attachment 2)

Barbara Nagel fully supports **HB 2916**. The Oversight Commission has done excellent work in defining the parameters of the compensation problem and recommending changes to the state pay plan system and believes this bill clearly lays a foundation for implementing those recommendations to establish a quality and competitive pay plan. The continuation of an Oversight Committee will be vital to the success and on going evaluation and she recommends that one member of that committee be a state classified employee. (Attachment 3)

Jane Carter encouraged the committee to support the recommendations of the Governor regarding compensation for state employees at the minimum. The proposed 2.5% COLA is necessary to keep those employees currently at market rate from falling to a point below market and the Governor's recommendation for funding a \$50 longevity bonus per year of service after ten years recognizes the fact that tenure yields

CONTINUATION SHEET

MINUTES OF THE Select Committee on State Employee Pay Plan at 12:10 P.M. on March 6, 2008 in Room 786 of the Capitol.

valued experience. (Attachment 4)

The conferees stood for questions.

The meeting was adjourned at 1:15 P.M. The next meeting will be Friday, March 7, 2008, 8:00 A.M. in Room 531-N.