SENATE BILL No. 454

By Committee on Ways and Means

4-3

AN ACT concerning state officers and employees; relating to an annual payment for classified state employees and certain officers; abolishing longevity bonus payments; amending K.S.A. 2013 Supp. 75-5551 and repealing the existing section; also repealing K.S.A. 2013 Supp. 75-5541.

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Be it enacted by the Legislature of the State of Kansas:

New Section 1. (a) Except as otherwise provided by this section, each of the following, excluding any classified employee who is on temporary appointment, shall receive an annual payment of \$300 as provided by this section, under the terms and conditions and subject to the limitations prescribed by this section:

- (1) Classified employees.
 - (2) The governor.
- 15 (3) The lieutenant governor.
 - (4) The attorney general.
- 17 (5) The secretary of state.
 - (6) The state treasurer.
- 19 (7) The commissioner of insurance.
- 20 (8) The chief justice of the supreme court.
- 21 (9) Justices of the supreme court.
- 22 (10) The chief judge of the court of appeals.
 - (11) Judges of the court of appeals.
- 24 (12) Chief district court judges.
 - (13) District court judges.
- 26 (14) District magistrate judges.
 - (b) Except as otherwise provided by this section, each regular classified part-time employee and each member of the legislature shall receive an annual payment of \$150 as provided by this section, under the terms and conditions and subject to the limitations prescribed by this section.
 - (c) Each such payment shall be included in such officer or employee's final regular pay warrant of the calendar year. The amount of the payment shall be displayed separately on the warrant stub or advice.
 - (d) Such payments shall be compensation, within the meaning of K.S.A. 74-4901 et seq., and amendments thereto, for all purposes under

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the Kansas public employees retirement system and shall be subject to applicable deductions for employee contributions notwithstanding the fact that payments are made annually. Such payments shall be in addition to the regular earnings to which an officer or employee may become eligible.

- (e) The provisions of this section shall apply to fiscal years commencing after June 30, 2014.
- (f) In accordance with the provisions of K.S.A. 75-3706, and amendments thereto, the secretary of administration shall adopt rules and regulations to implement the provisions of this section.
- (g) The annual payment authorized pursuant to this section shall not be considered an increase in the rate of compensation of the pay plan for persons in the classified service under the Kansas civil service act for the purposes of K.S.A. 44-511, 46-137a, 46-137b, 75-3103, 75-3111a and 75-3120l, and amendments thereto.
- New Sec. 2. (a) No longevity bonus payment shall be paid by any state agency to any state officer or employee who has a service anniversary on or after June 8, 2014.
- (b) As used in this section, "state officer or employee" includes any state officer or employee in the classified or unclassified service under the Kansas civil service act and any other state officer or employee in state service.
- Sec. 3. K.S.A. 2013 Supp. 75-5551 is hereby amended to read as follows: 75-5551. (a) The compensation program (compensation and benefits opportunity and delivery) for state employees will be designed to support the mission of the various branches of government and the agencies and departments within those branches. The foundation of the compensation program is to attract and retain quality employees with competitive compensation based on relevant labor markets. The programs will be based upon principles of fairness and equity and will be administered with sound fiscal discipline.
 - (b) The compensation philosophy component statements are:
- (1) The legislature will be accountable for the adoption of the compensation philosophy and framework. The executive branch through delegated authority from the governor to the department of administration will be accountable for the consistent administration of the program for classified employees. Agency heads will be accountable for proper administration of the program within their agencies. The chief justice, through delegated authority to the office of judicial administration will be accountable for the consistent administration of the program for judicial branch employees. The state board of regents, through delegated authority to the chief executive officer of each campus, will be accountable for the consistent administration of the program for higher education faculty and non-classified employees. The respective appointing authorities will have

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accountability for the consistent administration of compensation for non-classified employees.

- (2) The compensation program will be based on consistent principles of fairness throughout the state, yet will be flexible to meet changing needs. This will allow for multiple pay plans to fit different needs and market variables for the different branches of government and within those branches.
- (3) Establishing the value of compensation will be primarily based on establishing the appropriate market value of the job. For positions for which a market value cannot be readily identified, the value of compensation for those positions will be based on a fair, defensible and understandable method.
- (4) While recognizing that service and tenure yields valued experience, pay delivery mechanisms will be based on a combination of achievement of performance objectives, recognition of differences in job content, acquisition and application of further skill and education and pay for the achievement of team/unit or department goals.
- (5) All aspects of compensation (base salary, benefits, lump sum payments, allowances and other variable elements of compensation) will be considered as a total compensation package for state employees. The state's pay programs will utilize both fixed and variable compensation as well as non-cash reward and recognition programs.
- (6) Total compensation, as defined above, will be targeted at a competitive level when compared to the appropriate labor markets to allow the state to attract and retain the quality and quantity of employees needed to fulfill service commitments to its citizens.
- (7) The state is committed to ensuring that its salary structures are up to date through the conduct of market surveys at regular intervals. There will be a planned approach to ensure that the classification structure and classification of employees is kept current.
- (8) The compensation programs will reinforce a work culture and climate where employees are recognized and rewarded for their contribution. Any changes to compensation must be reasonable and take into consideration the needs of the state as an employer, the work culture afforded to the employees as public service providers and the citizens receiving services from the state.
- (9) It is the intent of the legislature that longevity bonus payments-shall not be considered as part of base pay.
 - Sec. 4. K.S.A. 2013 Supp. 75-5541 and 75-5551 are hereby repealed.
- Sec. 5. This act shall take effect and be in force from and after its publication in the Kansas register.