

By: Isett

H.B. No. 2248

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to salary increases, equity adjustments, and merit  
3 payments for certain state employees.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter K, Chapter 659, Government Code, is  
6 amended by adding Section 659.2545 to read as follows:

7 Sec. 659.2545. EQUITY ADJUSTMENTS. (a) A state agency is  
8 authorized to adjust the salary rate of an employee whose position  
9 is classified under the position classification plan to any rate  
10 within the employee's salary group range as necessary to maintain  
11 desirable salary relationships:

12 (1) between and among employees of the agency; or

13 (2) between employees of the agency and employees who  
14 hold similar positions in the relevant labor market.

15 (b) In determining desirable salary relationships under  
16 Subsection (a), a state agency shall consider the education,  
17 skills, related work experience, length of service, and job  
18 performance of agency employees and similar employees in the  
19 relevant labor market.

20 (c) A state agency may award an equity adjustment to an  
21 employee under this section only if:

22 (1) the employee has worked in the employee's current  
23 position for not less than six months while maintaining at least a  
24 satisfactory level of job performance; and

1           (2) the adjustment does not take effect during the  
2 same fiscal year as another equity adjustment made to the  
3 employee's salary under this section.

4           (d) A state agency shall adopt internal written rules  
5 relating to making equity adjustments under this section. The  
6 rules shall include procedures under which the agency will review  
7 and analyze the salary relationships between agency employees who  
8 receive salaries under the same job classification and perform the  
9 same type and level of work to determine if inequities exist.

10           SECTION 2. As soon as practicable after the effective date  
11 of this Act, the classification officer under Subchapter C, Chapter  
12 654, Government Code, shall make adjustments to the job  
13 classifications within the position classification plan as  
14 necessary to reflect the changes proposed under Option 3 of the  
15 state auditor's report entitled "A Biennial Report on the State's  
16 Compensation System for Fiscal Years 2006 and 2007" (Report No.  
17 05-701, September 2004) to Salary Schedule A, B, and C positions.

18           SECTION 3. (a) In this section and Section 4 of this Act:

19                   (1) "State agency" means:

20                           (A) a board, commission, department,  
21 institution, office, or other agency in the executive branch of  
22 state government that is created by the constitution or a statute of  
23 this state, including an institution of higher education as defined  
24 by Section 61.003, Education Code, other than a public junior  
25 college; or

26                           (B) the Supreme Court of Texas, the Texas Court  
27 of Criminal Appeals, a court of appeals, or another agency in the

1 judicial branch.

2 (2) "Total employee pay expenditures" means the total  
3 amount spent by a state agency during a fiscal year for the purpose  
4 of paying the salary and wages of all employees of the agency,  
5 regardless of the fund from which the expenditures were made.

6 (b) During the state fiscal year beginning September 1,  
7 2005, and the state fiscal year beginning September 1, 2006, a state  
8 agency shall spend an amount equal to one percent of the agency's  
9 total employee pay expenditures during the previous state fiscal  
10 year for the purpose of:

11 (1) providing merit salary increases and one-time  
12 merit payments for employees of the agency in accordance with  
13 Section 659.255, Government Code; and

14 (2) funding any equity adjustments made by the agency  
15 under Section 659.2545, Government Code, as added by this Act, that  
16 are scheduled to take effect before January 1, 2006.

17 SECTION 4. (a) Except as provided by this section,  
18 effective January 1, 2006, each employee of a state agency who is  
19 employed under a position classified under Salary Schedule A or B of  
20 the state's position classification plan or who holds a position  
21 that is exempt from the classification plan is entitled to an  
22 increase in the employee's gross salary for each remaining month of  
23 the state fiscal year beginning September 1, 2005, and each month of  
24 the state fiscal year beginning September 1, 2006, in an amount  
25 equal to three percent of the employee's gross monthly salary on  
26 December 31, 2005, but not less than \$175 per month.

27 (b) This section does not apply to:

1           (1) a statewide elected official, a justice or judge  
2 of an appellate or district court, a district attorney, a criminal  
3 district attorney, or a county attorney performing the duties of a  
4 district attorney; or

5           (2) a member of a board, commission, or other  
6 governing body who may receive a compensatory per diem or expense  
7 reimbursement but not a salary for employment.

8           (c) An employee eligible for a salary increase under this  
9 section is subject to any maximum salary rate provided by the  
10 General Appropriations Act for the employee's exempt or classified  
11 position. The salary increase provided by this section does not  
12 apply to the extent that the salary increase would cause the  
13 employee's salary to exceed that maximum rate.

14           (d) The expenses of an agency that are related to an  
15 employee's salary increase under this section, including the cost  
16 of benefits associated with the salary increase, shall be paid by  
17 the agency and divided among available funds held in the state  
18 treasury and local funds in a manner that is proportionate to the  
19 agency's method of financing for any regular compensation provided  
20 to the employee during December 2005.

21           (e) A salary increase provided to a state agency employee  
22 under this section shall be provided in addition to any salary  
23 increase associated with changes made to job classifications in the  
24 state's position classification plan under Section 2 of this Act  
25 and any merit increase, one-time merit payment, or equity  
26 adjustment provided to the employee in accordance with Section 3 of  
27 this Act.

1           SECTION 5. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect September 1, 2005.