House Engrossed Senate Bill

FILED
JANICE K. BREWER
SECRETARY OF STATE

State of Arizona
Senate
Forty-sixth Legislature
Second Regular Session
2004

CHAPTER 223

SENATE BILL 1090

AN ACT

ESTABLISHING THE JOINT LEGISLATIVE STUDY COMMITTEE ON STATE EMPLOYEE COMPENSATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Joint legislative study committee on state employee compensation; membership; duties; recommendations

A. The joint legislative study committee on state employee compensation is established consisting of the following members:

1. Three members of the house of representatives who are appointed by the speaker of the house of representatives. No more than two of these members shall be members of the same political party. The speaker shall designate one of these members to serve as cochairperson of the committee.

2. Three members of the senate who are appointed by the president of the senate. No more than two of these members shall be members of the same political party. The president shall designate one of these members to serve as cochairperson of the committee.

3. Four members who are experts on employee compensation. Of these members, two shall be appointed by the governor, one shall be appointed by the president of the senate and one shall be appointed by the speaker of the house of representatives.

4. Four members who are employees of this state and who have at least ten years of state service. Of these members, two shall be appointed by the governor, one shall be appointed by the president of the senate and one shall be appointed by the speaker of the house of representatives.

5. One member from the university personnel system who is appointed by the executive director of the board of regents.

6. Three members who are state agency directors, deputy directors or assistant directors and who are appointed by the governor,

7. One member who is a state employee and a member of an employee association and who is appointed by the governor.

B. The committee shall study the various state personnel systems, state employee compensation and related issues, including salary, benefits, employee turnover, performance pay based on the performance of the individual, department and agency and comparisons to other comparable public and private employers.

C. On or before December 1 of each year, the committee shall submit written recommendations on a long-term strategy for addressing state employee compensation to the speaker of the house of representatives, president of the senate, and governor. The committee shall provide a copy of these recommendations to the secretary of state and the Arizona state library, archives and public records.

D. Members of the committee are not eligible to receive compensation but are eligible to receive reimbursement for expenses pursuant to title 38, chapter 4, article 2, Arizona Revised Statutes.

Sec. 2. Department of administration; annual salary market analyses; recommendations

As part of the annual report and recommendations required pursuant to sections 41-763.01 and 41-763.02, Arizona Revised Statutes, the department of administration shall:

1. Conduct an annual salary market analysis.

2. Make recommendations for the state employee pay raises for classification salary adjustments relating to the salary market and for merit pay raises for performance pay increases and the portion of pay that should be devoted to performance pay. The department of administration shall consider the recommendations of the joint legislative study committee on state employee compensation when making recommendations pursuant to this paragraph.

Sec. 3. Legislative intent

The legislature intends that:

1. This act provide a foundation for establishing competitive compensation for state employees.

2. Competitive compensation be established because the legislature realizes the value of state employees.

Sec. 4. Delayed repeal

This act is repealed from and after September 30, 2007.

APPROVED BY THE GOVERNOR MAY 12, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 12, 2004.