

1 ENGROSSED HOUSE
2 BILL NO. 1155

By: McCall of the House

3 and

4 Treat of the Senate

5
6
7 An Act relating to state government; amending 74 O.S.
8 2011, Section 840-2.17, as last amended by Section 3,
9 Chapter 390, O.S.L. 2014 (74 O.S. Supp. 2017, Section
10 840-2.17), which relates to salary adjustments;
11 requiring certain reporting of state employee
12 salaries and classifications; and providing an
13 effective date.

14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. AMENDATORY 74 O.S. 2011, Section 840-2.17, as
16 last amended by Section 3, Chapter 390, O.S.L. 2014 (74 O.S. Supp.
17 2017, Section 840-2.17), is amended to read as follows:

18 Section 840-2.17 A. Unless otherwise provided by the Oklahoma
19 Constitution, statutory authority to set or fix compensation, pay or
20 salary of state officers and employees shall not be construed to
21 authorize any agency, board, commission, department, institution,
22 bureau, executive officer or other entity of the executive branch of
23 state government to award, grant, give, authorize, or promise any
24 officer or employee of the State of Oklahoma a raise that is
inconsistent with the compensation schedules established by the

1 Office of Management and Enterprise Services for all state officers
2 and employees in the executive branch pursuant to Section 840-4.6 of
3 this title, including, but not limited to, a cost-of-living raise or
4 any other type of raise that would be given to state employees on an
5 across-the-board basis, except as herein provided. Such raises are
6 prohibited unless authorized by the Legislature and by Career
7 Service Rules for Employment promulgated by the Director. This
8 prohibition applies to all career and executive service officers and
9 employees in the executive branch of state government, excluding
10 institutions under the administrative authority of the Oklahoma
11 State Regents for Higher Education.

12 B. However, nothing in this section shall be construed to
13 prohibit the following actions if the action is made in good faith
14 and not for the purpose of circumventing subsection A of this
15 section, and if the appointing authority certifies that the action
16 can be implemented for the current fiscal year and the subsequent
17 fiscal year without the need for additional funding to increase the
18 personal services budget of the agency, and if the Office of
19 Management and Enterprise Services certifies that the action is
20 consistent with the compensation schedules established pursuant to
21 the provisions of Section 840-4.6 of this title:

22 1. Salary advancements on promotion or direct reclassification
23 to a job family level or class with a higher salary band;
24

1 2. Salary adjustments resulting from a pay band change for a
2 job family level or class adopted by the Office of Management and
3 Enterprise Services;

4 3. Increases in longevity payments pursuant to Section 840-2.18
5 of this title;

6 4. Payment of overtime, special entrance rates, pay
7 differentials;

8 5. Payment of wages, salaries, or rates of pay established and
9 mandated by law;

10 6. Market adjustments for job family levels tied to market
11 competitiveness;

12 7. Intra-agency lateral transfers, provided that the adjustment
13 does not exceed five percent (5%) and the adjustment is based on the
14 needs of the agency;

15 8. Skill-based adjustments. Such adjustments, which are
16 implemented before November 1, 2006, other than lump-sum payments,
17 shall become permanent after twenty-four (24) months from the date
18 such salary adjustment is implemented and may not later be removed
19 from an employee's base salary if a furlough or reduction-in-force
20 is implemented by the appointing authority granting such salary
21 adjustment. Skill-based pay adjustments, which are implemented on
22 or after November 1, 2006, and which are paid to an employee, shall
23 be paid as long as the employee remains employed in the position and
24

1 performs the skills for which the differential is due, but shall not
2 be included as a part of the employee's base salary;

3 9. Equity-based adjustments;

4 10. Performance-based adjustments for employees who received at
5 least a "meets standards" rating on their most current performance
6 rating;

7 11. Career progression increases as an employee advances
8 through job family levels; or

9 12. Salary adjustments not to exceed five percent (5%) for
10 probationary career employees achieving permanent status following
11 the initial probationary period and permanent career employees
12 successfully completing trial periods after intra-agency lateral
13 transfer or promotion to a different job family level or following
14 career progression to a different job family level.

15 C. Provided, however, any reclassification for one of the
16 purposes provided in subsection B of this section that would require
17 additional funding by the Legislature shall not be implemented
18 without approval of the Legislature.

19 D. The pay movement mechanisms described in paragraphs 6
20 through 11 in subsection B of this section shall be implemented
21 pursuant to rules promulgated by the Director of the Office of
22 Management and Enterprise Services for the career service.

23 E. Appointing authorities may implement the pay movement
24 mechanisms in paragraphs 6 through 12 in subsection B of this

1 section subject to the availability of funds within the agency's
2 budget for the current fiscal year and subsequent fiscal year
3 without the need for additional funding to increase the personal
4 services budget of the agency. Failure by the appointing authority
5 to follow the provisions of this subsection may cause the withdrawal
6 of the use of the pay movement mechanisms provided in paragraphs 6,
7 7, 9, 10 and 11 of subsection B of this section within the agency
8 during the next appropriations cycle.

9 F. The provisions in subsection B of this section shall not
10 apply to chief executive officers of any agency, board, commission,
11 department or program except for paragraphs 3 and 5 of subsection B
12 of this section.

13 G. The Office of Management and Enterprise Services shall file
14 a quarterly report with the Offices of the Governor, President Pro
15 Tempore of the Senate and Speaker of the House of Representatives
16 listing, by agency, all increases in wages, salaries or rates of pay
17 and any changes to title or classification of each employee.

18 SECTION 2. This act shall become effective November 1, 2018.
19
20
21
22
23
24

1 Passed the House of Representatives the 14th day of March, 2018.

2
3 _____
4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2018.

6
7
8 _____
Presiding Officer of the Senate