

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 56th Legislature (2018)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1155

By: McCall

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9 COMMITTEE SUBSTITUTE

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

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

18 SECTION 1. AMENDATORY 74 O.S. 2011, Section 840-2.17, as
19 last amended by Section 3, Chapter 390, O.S.L. 2014 (74 O.S. Supp.
20 2017, Section 840-2.17), is amended to read as follows:

21 Section 840-2.17 A. Unless otherwise provided by the Oklahoma
22 Constitution, statutory authority to set or fix compensation, pay or
23 salary of state officers and employees shall not be construed to
24 authorize any agency, board, commission, department, institution,
 bureau, executive officer or other entity of the executive branch of

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

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

- 1 1. Salary advancements on promotion or direct reclassification
- 2 to a job family level or class with a higher salary band;
- 3 2. Salary adjustments resulting from a pay band change for a
- 4 job family level or class adopted by the Office of Management and
- 5 Enterprise Services;
- 6 3. Increases in longevity payments pursuant to Section 840-2.18
- 7 of this title;
- 8 4. Payment of overtime, special entrance rates, pay
- 9 differentials;
- 10 5. Payment of wages, salaries, or rates of pay established and
- 11 mandated by law;
- 12 6. Market adjustments for job family levels tied to market
- 13 competitiveness;
- 14 7. Intra-agency lateral transfers, provided that the adjustment
- 15 does not exceed five percent (5%) and the adjustment is based on the
- 16 needs of the agency;
- 17 8. Skill-based adjustments. Such adjustments, which are
- 18 implemented before November 1, 2006, other than lump-sum payments,
- 19 shall become permanent after twenty-four (24) months from the date
- 20 such salary adjustment is implemented and may not later be removed
- 21 from an employee's base salary if a furlough or reduction-in-force
- 22 is implemented by the appointing authority granting such salary
- 23 adjustment. Skill-based pay adjustments, which are implemented on
- 24 or after November 1, 2006, and which are paid to an employee, shall

1 be paid as long as the employee remains employed in the position and
2 performs the skills for which the differential is due, but shall not
3 be included as a part of the employee's base salary;

4 9. Equity-based adjustments;

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

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

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

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

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

1 E. Appointing authorities may implement the pay movement
2 mechanisms in paragraphs 6 through 12 in subsection B of this
3 section subject to the availability of funds within the agency's
4 budget for the current fiscal year and subsequent fiscal year
5 without the need for additional funding to increase the personal
6 services budget of the agency. Failure by the appointing authority
7 to follow the provisions of this subsection may cause the withdrawal
8 of the use of the pay movement mechanisms provided in paragraphs 6,
9 7, 9, 10 and 11 of subsection B of this section within the agency
10 during the next appropriations cycle.

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

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

20 SECTION 2. This act shall become effective November 1, 2018.
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22 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 03/01/2018 - DO PASS,
23 As Amended and Coauthored.
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