

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB 1851
Version:	Committee Substitute
Request Number:	7028
Author:	Representative Osborn
Date:	2/22/2017
Impact:	FY-18: \$3,000,000 for Minimum Pay Band Increases; \$23.3M for \$750 State Employee Pay Raise

Research Analysis

The committee substitute provides a \$750 pay increase to certain full-time employees of the executive branch state agencies who received a *meets* or *exceeds* standards on their most current performance evaluation conducted.

Prepared By: Kyle Meade

Fiscal Analysis

The measure appropriates \$3,000,000 to the Office of Management and Enterprise Services (OMES) for the purpose of funding the Office's proposed 10 percent increase of minimum pay band schedules effective July 1, 2017. Further, the measure provides a \$750 pay raise to all full-time employees of executive branch state agencies who meet certain criteria. OMES's estimate for the cost of the \$750 pay raise totals \$23,336,800, including the following assumptions: 1) 16.5 percent for employee retirement costs; 7.65 percent for social security, workers comp, and unemployment insurance; and costs associated with raises to nonappropriated agencies, or those employees paid by federal funds, have already been removed. OMES has not provided data on exactly the number of employees to whom this estimate applies.

Prepared By: Nicole McPhetridge

Other Considerations

None.