

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 605

BY APPROPRIATIONS COMMITTEE

AN ACT

1 APPROPRIATING MONEYS TO THE PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO FOR
2 FISCAL YEAR 2015; LIMITING THE NUMBER OF AUTHORIZED FULL-TIME EQUIV-
3 ALENT POSITIONS; PROVIDING LEGISLATIVE INTENT; AND PROVIDING GUIDANCE
4 FOR EMPLOYEE COMPENSATION.
5

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. There is hereby appropriated to the Public Employee Retirement
8 System of Idaho, the following amounts to be expended according to the
9 designated programs and expense classes, from the listed funds for the pe-
10 riod July 1, 2014, through June 30, 2015:

	FOR	FOR	FOR		
	PERSONNEL	OPERATING	CAPITAL		
	COSTS	EXPENDITURES	OUTLAY	TOTAL	
11					
12					
13					
14	I. RETIREMENT ADMINISTRATION:				
15	FROM:				
16	PERSI Administrative				
17	Fund	\$3,646,400	\$2,503,700	\$67,900	\$6,218,000
18	II. PORTFOLIO INVESTMENT:				
19	FROM:				
20	PERSI Special				
21	Fund	\$686,300	\$196,900	\$17,900	\$901,100
22	GRAND TOTAL	\$4,332,700	\$2,700,600	\$85,800	\$7,119,100

23 SECTION 2. FTP AUTHORIZATION. In accordance with Section 67-3519,
24 Idaho Code, the Public Employee Retirement System of Idaho is authorized no
25 more than sixty-four (64) full-time equivalent positions at any point during
26 the period July 1, 2014, through June 30, 2015, unless specifically autho-
27 rized by the Governor. The Joint Finance-Appropriations Committee will be
28 notified promptly of any increased positions so authorized.

29 SECTION 3. LEGISLATIVE INTENT. Notwithstanding Section 59-1311(4) (d),
30 Idaho Code, moneys appropriated in Section 1 of this act for the Portfolio
31 Investment Program are for administrative costs of the Portfolio Investment
32 Program as provided in Section 59-1311(3), Idaho Code. Amounts necessary
33 to pay all other investment expenses related to the Portfolio Investment

1 Program are perpetually appropriated to the Public Employee System Board as
2 provided in Section 59-1311(4) (a), (b) and (c), Idaho Code.

3 SECTION 4. EMPLOYEE COMPENSATION. It is the intent of the Legislature,
4 working cooperatively with the Governor's Office, the Division of Human Re-
5 sources, and the Division of Financial Management, to progress toward the
6 goal of funding a competitive salary and benefit package that will attract
7 qualified applicants, retain employees committed to public service excel-
8 lence, motivate employees to maintain high standards of productivity, and
9 reward employees for outstanding performance by:

- 10 1) Adjusting the compensation schedule upwards by 1% to move the salary
11 structure toward market; and
- 12 2) Continuing the job classifications that are currently on payline
13 exception to address specific recruitment or retention issues; and
- 14 3) Funding an ongoing 1% salary increase for state employees, and funding
15 the equivalent of a one-time 1% bonus for state employees, based upon
16 employee merit, with flexibility in distribution as determined by
17 the agency directors.

18 The Legislature also finds that investing in state employee compensa-
19 tion should remain a high priority even in tough economic times, and there-
20 fore strongly encourages agency directors, institution executives and the
21 Division of Financial Management to approve the use of salary savings to pro-
22 vide either one-time or ongoing merit increases for deserving employees and
23 also to target employees who are below policy compensation. Such salary sav-
24 ings could result from turnover and attrition, or be the result of innova-
25 tion and reorganization efforts that create savings. Such savings should be
26 reinvested in employees. Agencies are cautioned to use one-time funding for
27 one-time payments and ongoing funding for permanent pay increases.