2006 Session

Budget Bill - HB29 (Introduced)

Central Appropriations

Item 505	First Year - FY2005	Second Year - FY2006
Compensation Supplements (State) (75700)	**$56,253,066**	~~**$151,154,479**~~ ***$151,677,611***
Fund Sources:		
General	$56,253,066	~~$151,154,479~~ *$151,677,611*

Authority: Discretionary Inclusion.

A. Transfers from this Item may be made to supplement general fund appropriations to state agencies for:

1. Adjustments to base rates of pay;

2. Adjustments to rates of pay for budgeted overtime of salaried employees;

3. Salary increases for positions with salaries listed elsewhere in this act;

4. Salary increases for locally elected constitutional officers and their employees;

5. In-band salary adjustments for employees subject to the Virginia Personnel Act to recognize changes in duties or professional skill development, establish internal alignment (equitable salary relationships), or respond to labor market conditions (retention).

6. Employer costs of employee benefit programs when required by salary-based pay adjustments; and

7. Salary increases for local employees supported by the Commonwealth, other than those funded through appropriations to the Department of Education.

This appropriation provides for the compensation adjustments described in paragraphs F, G, H, I, O and P of this Item, subject to conditions stated in this Item.

B. Transfers from this Item may be made when appropriations to the state agencies concerned are insufficient for the purposes stated in paragraph A of this Item, as determined by the Department of Planning and Budget, and subject to guidelines prescribed by the department. Further, the Department of Planning and Budget may transfer appropriations within this Item from the second year of the biennium to the first year, when necessary to accomplish the purposes stated in paragraph A of this Item.

C.1. The Department of Human Resource Management may approve pilot compensation programs within agencies that support the redesigned classified compensation plan. Such pilot programs approved by the Department shall have clearly defined objectives, specified time frames, and shall be restricted to no more than two years. Such pilot programs shall be funded from existing agency appropriations or from funds provided for increases specified in paragraph I of this Item, or a combination of both. A report on such pilot programs shall be made to the Governor

and the Chairmen of the House Appropriations and Senate Finance Committees by October 1, 2005. The Secretary of Administration shall approve any change in compensation plans based on pilot programs, prior to their implementation.

2. Any pilot programs or alternative pay plans authorized under the provisions of this paragraph, shall provide for average annual salary increases that are no greater than those authorized in this Item for classified state employees.

D. The Governor is hereby authorized to transfer funds from agency appropriations to the accounts of participating state employees such amounts as may be necessary to match the contributions of the qualified participating employees, consistent with the requirements of the Code of Virginia governing the deferred compensation cash match program. Such transfers shall be made consistent with the following:

1. The maximum cash match provided to eligible employees shall not be less than $20.00 per pay period, or $40.00 per month. The Governor may direct the agencies of the Commonwealth to utilize funds contained within their existing appropriations to meet these requirements.

2. The Governor may direct agencies supported in whole or in part with nongeneral funds to utilize existing agency appropriations to meet these requirements. Such nongeneral revenues and balances are hereby appropriated for this purpose, subject to the provisions of § 4-2.01 b of this act. The use of such nongeneral funds shall be consistent with any existing conditions and restrictions otherwise placed upon such nongeneral funds.

3. Employees who are otherwise eligible but whose 403 (b) provider does not participate in the cash match program by establishing a 401 (a) account are ineligible to receive a cash match.

4. The procurement of services related to the implementation of this program shall be governed by standards set forth in § 51.1-124.30 C, Code of Virginia, and shall not be subject to the provisions of Chapter 7 (§ 11-35 et seq.), Title 11, Code of Virginia.

E. Included in this appropriation is $8,465,663 the first year and $8,833,735 the second year for an increase in the employer contribution rate for the Virginia Sickness and Disability Program, resulting from an update of the valuation of program assets and liabilities, and the pooling of law enforcement and non-law enforcement positions for the purposes of calculating program contributions.

F. In lieu of the salary increases authorized in paragraphs I to N of this item, each sworn officer of the Virginia Department of State Police shall receive an increase in base salary and related employee benefits of $1,491 on November 25, 2004. This increase is sufficient, when combined with actions provided for elsewhere in this act, to bring the starting salary for State Troopers to $32,500 per year.

G. Included in the amounts for Compensation Supplements is $3,183,148 the first year and $4,538,250 the second year to address salary compression issues for sworn officers of the Virginia Department of State Police effective October 1, 2004.

H. In lieu of the salary increases authorized in paragraphs I to N of this Item, sheriffs, deputy sheriffs and regional jail officers shall receive an increase in base salary and related employee benefits equal to 4.82 percent on December 1, 2004.

I.1. The base salary of employees listed in this paragraph shall be increased by three percent on November 25, 2004, for those employees set out in subparagraphs 2 a through 2 d of this paragraph. The base salary of employees set out in subparagraph 2 e of this paragraph shall be increased by three percent on December 1, 2004. This appropriation includes the following estimated amounts for these purposes:

Employee Group	FY 2005	FY 2006
State Employees	$26,472,159	$48,871,664
State Supported Local Employees	$7,309,808	$12,531,099

2. Transfers from this item shall be used to effect this increase and related increases in employee benefits for:

a. Executive Department

1. Full-time employees of the Executive Department subject to the Virginia Personnel Act;

2. Full-time employees of the Executive Department not subject to the Virginia Personnel Act, except officials elected by popular vote;

3. Any official whose salary is listed in § 4-6.01 c and d of this act, subject to the ranges specified in the agency head salary levels in § 4-6.01 c; and

4. Full-time professional staff of the Governor's Office, the Lieutenant Governor's Office, the Attorney General's Office, Cabinet Secretaries Offices, including the Deputy Secretaries, the Virginia Liaison Office, and the Secretary of the Commonwealth's Office.

b. Legislative Department

1. Heads of agencies in the Legislative Department;

2. Full-time employees in the Legislative Department, other than officials elected by popular vote; and

3. Secretaries and administrative assistants as provided for in Item 1 of this act.

c. Judicial Department

1. Judges and Justices in the Judicial Department;

2. Heads of agencies in the Judicial Department; and,

3. Full-time employees in the Judicial Department.

d. Independent Agencies

1. Commissioners of the State Corporation Commission and the Virginia Workers' Compensation Commission, the Executive Directors of the Virginia College Savings Plan and the Virginia Office for Protection and Advocacy, and the Directors of the State Lottery Department, and the Virginia Retirement System;

2. Full-time employees of the State Corporation Commission, the Virginia College Savings Plan, the State Lottery Department, Virginia Workers' Compensation Commission, the Virginia Retirement System, and Virginia Office for Protection and Advocacy.

e. State-Supported Local Employees

1. Locally elected constitutional officers, except as provided in paragraph H of this item;

2. General Registrars and members of local electoral boards;

3. Full-time employees of locally elected constitutional officers, except as provided in paragraph H of this item; and,

4. Full-time employees of Community Services Boards, Centers for Independent Living, secure detention centers supported by Juvenile Block Grants, juvenile delinquency prevention and local court service units, local social services boards, and local health departments where a memorandum of understanding exists with the Virginia Department of Health.

3.a. Employees in the Executive Department subject to the Virginia Personnel Act shall receive the three percent base salary increase authorized in this paragraph only if they attained at least a rating of "Contributor" on their latest performance evaluation.

b. Salary increases for employees listed in paragraphs I 2 a 2 through I 2 a 4 and paragraphs I 2 c through I 2 d shall be consistent with the provisions of this paragraph, as determined by the appointing or governing authority. The appointing or governing authority shall certify that employees receiving the awards are performing at levels at least comparable to the eligible employees as set out in the preceding paragraph 3 a.

J.1. To ensure fair and equitable performance reviews, the Department of Human Resource Management is directed to provide performance management training to agencies and institutions of higher education with classified employees.

2. Agency heads in the Executive Department are directed to require appropriate performance management training for all agency supervisors and managers.

K. The Department of Human Resource Management shall increase the minimum and maximum salary for each band within the Commonwealth's Classified Compensation Plan by three percent on November 25, 2004. No salary increase shall be granted to any employee as a result of this action. The Department shall develop policies and procedures to be used in instances where employees fall below the entry level for a job classification due to poor performance. Movement through the revised pay band shall be based on employee performance.

L. The agency heads listed in this paragraph may, at their discretion, utilize the funds provided pursuant to paragraphs I and Q of this item to implement the provisions of existing pay plans.

1. The heads of agencies in the Legislative and Judicial Departments;

2. The Commissioners of the State Corporation Commission and the Virginia Workers' Compensation Commission;

3. The Attorney General;

4. The Director of the Virginia Retirement System;

5. The Director of the State Lottery Department;

6. The Director of the University of Virginia Medical Center;

7. The Executive Director of the Virginia College Savings Plan;

8. The Executive Director of the Virginia Port Authority; and

9. The Executive Director of the Virginia Office for Protection and Advocacy.

M. The base rates of pay, and related employee benefits, for wage employees may be increased by up to three percent on November 25, 2004. The cost of such increases for wage employees shall be borne by funds appropriated to each agency.

N. Agencies supported in whole or in part by nongeneral funds shall pay the proportionate share of costs, from nongeneral fund revenues, of wages, salaries, and employee benefits as stated in this item, subject to rules and regulations prescribed by the Governing Authority.

O. Included in the amounts for Compensation Supplements is $215,520 the first year and $397,883 the second year to address salary compression issues for sworn officers and communications operators of the Division of Capitol Police, effective November 25, 2004. The Chief of the Capitol Police shall report to the Committee on Joint Rules prior to November 25, 2004, regarding the Division's plan to address salary compression and entry level salary issues for sworn officers and communications operators.

P. Out of the amount appropriated for this item, $752,935 the first year and $1,390,036 the second year is included for a 2.1 percent competitive salary adjustment effective November 25, 2004, for Justices of the Supreme Court of Virginia and Judges of the Court of Appeals of Virginia, Circuit Courts, General District Courts, Juvenile and Domestic Relations District Courts, Combined District Courts, Commissioners of the State Corpration Commission and Commissioners of the Workers Compensation Commission.

Q.

Included in the amounts for Compensation supplements is $57,362,126 which shall be used to provide the following salary increases for public employees in the 2005-2006 fiscal year:

1. 3.00 percent salary increase:

a. The base salary and related employee benefits of employees listed in subparagraphs 5.a. through 5.d. of this paragraph shall be increased by 3.00 percent on November 25, 2005.

b. The base salary and related employee benefits of employees listed in subparagraph 5.e. of this paragraph shall be increased by 3.00 percent on December 1, 2005.

2. 4.40 percent salary increase:

a. The base salary and related employee benefits of employees listed in subparagraphs 6.a. through 6.d. of this paragraph shall be increased by 4.40 percent on November 25, 2005.

b. The base salary and related employee benefits of employees listed in subparagraph 6.e. of this paragraph shall be increased by 4.40 percent on December 1, 2005.

3. The base salary and related employee benefits of employees listed in subparagraphs 7.a. through 7.d. of this paragraph who have five years or more of continuous state service shall be increased by $50 for each full year of service effective November 25, 2005. The Department of Human Resource Management shall develop guidelines and procedures for implementation of this compensation adjustment.

4. This appropriation includes the following estimated amounts for these purposes:

MsoNormalEmployee Group MsoNormalFY 2006

MsoNormalState Employees	MsoNormal$41,345,780
MsoNormalState-Supported Local Employees	MsoNormal$16,017,172

5. Transfers from this item shall be used to effect an increase of 3.00 percent and related increases in employee benefits for:

a. Executive Department

1) Any official whose salary is listed in § 4-6.01 b, c and d of this act, who received an increase as provided for in Item 505.G. of this act, subject to the ranges specified in the agency head salary levels in § 4-6.01 c;

2) Full-time and other classified employees of the Executive Department subject to the Virginia Personnel Act;

3) Full-time employees of the Executive Department not subject to the Virginia Personnel Act, except officials elected by popular vote; and

4) Full-time professional staff of the Governor's Office, the Lieutenant Governor's Office, the Attorney General's Office, Cabinet Secretaries Offices, including the Deputy Secretaries, the Virginia Liaison Office, and the Secretary of the Commonwealth's Office.

b. Legislative Department

1) Heads of agencies in the Legislative Department who received an increase as provided for in Item 505.O. of this act; and

2) Full-time employees in the Legislative Department, other than officials elected by popular vote.

c. Judicial Department

1) Full-time employees in the Judicial Department.

d. Independent Agencies

1) Full-time employees of the State Corporation Commission, the Virginia College Savings Plan, the State Lottery Department, the Virginia Workers' Compensation Commission, the Virginia Retirement System, and the Virginia Office for Protection and Advocacy.

e. State-Supported Local Employees

1) Locally elected constitutional officers who received an increase as provided for in Item 505.H. of this act; and

2) Full-time employees of elected constitutional officers who received an increase as provided for in Item 505 H. of this act.

6. Transfers from this item shall be used to effect an increase of 4.40 percent and related increases in employee benefits for:

a. Executive Department

1) Any official whose salary is listed in § 4-6.01 b, c and d of this act, except those who received an increase as provided for in Item 505.G. of this act, subject to the ranges specified in the agency head salary levels in § 4-6.01 c.

b. Legislative Department

1) Heads of agencies in the Legislative Department, except those who received an increase as provided for in Item 505.O. of this act; and

2) Secretaries and administrative assistants as provided for in Item 1 of this act.

c. Judicial Department

1) Judges and Justices in the Judicial Department; and

2) Heads of agencies in the Judicial Department.

d. Independent Agencies

1) Commissioners of the State Corporation Commission and the Virginia Workers' Compensation Commission, the Executive Directors of the Virginia College Savings Plan and the Virginia Office for Protection and Advocacy, and the Directors of the State Lottery Department and the Virginia Retirement System.

e. State-Supported Local Employees

1) Locally elected constitutional officers, except those who received an increase as provided for in Item 505.H. of this act;

2) Full-time employees of locally elected constitutional officers, except those who received an increase as provided for in Item 505 H. of this act;

3) General Registrars and members of local electoral boards; and

4) Full-time employees of Community Services Boards, Centers for Independent Living, secure detention centers supported by Juvenile Block Grants, juvenile delinquency prevention and local court service units, local social services boards, and local health departments where a memorandum of understanding exists with the Virginia Department of Health.

7. Transfers from this item shall be used to effect an increase of $50 for each full year of continuous service and related increases in employee benefits, effective November 25, 2005, for the following employees who have five years or more of continuous state service:

a. Executive Department

1) Full-time and other classified employees of the Executive Department subject to the Virginia Personnel Act except those employees listed in subparagraphs 5.a.1) and 6 of this paragraph, and paragraph G. of this Item;

2) Full-time employees of the Executive Department not subject to the Virginia Personnel Act, except officials elected by popular vote and any official whose salary is listed in § 4-6.01 b, c and d of this act; and

3) Full-time professional staff of the Governor's Office, the Lieutenant Governor's Office, the Attorney General's Office, Cabinet Secretaries Offices, including the Deputy Secretaries, the Virginia Liaison Office, and the Secretary of the Commonwealth's Office.

b. Legislative Department

1) Full-time employees in the Legislative Department, other than officials elected by popular vote and employees listed in subparagraphs 5.b.1) and 6 of this paragraph, and paragraph O. of this Item.

c. Judicial Department

1) Full-time employees in the Judicial Department, other than employees listed in subparagraph 6 of this paragraph.

d. Independent Agencies

1) Full-time employees of the State Corporation Commission, the Virginia College Savings Plan, the State Lottery Department, the Virginia Workers' Compensation Commission, the Virginia Retirement System, and the Virginia Office for Protection and Advocacy.

8.a. Employees in the Executive Department subject to the Virginia Personnel Act shall receive the salary increases authorized in this paragraph only if they attained at least a rating of "Contributor" on their latest performance evaluation.

b. Salary increases for employees listed in subparagraphs 5.a.2) through 5.a.4), 5.c.1), 6.a.1), 6.c.1), 6.c.2), 7.a.2), 7.a.3), and 7.c.1) of this paragraph shall be consistent with the provisions of this paragraph, as determined by the appointing or governing authority. The appointing or governing authority shall certify to the Department of Human Resource Management that employees receiving the awards are performing at levels at least comparable to the eligible employees as set out in subparagraph 8.a. of this paragraph.

R. The Department of Human Resource Management shall increase the minimum and maximum salary for each band within the Commonwealth's Classified Compensation Plan by 3.00 percent on November 25, 2005. No salary increase shall be granted to any employee as a result of this action. The department shall develop policies and procedures to be used in instances where employees fall below the entry level for a job classification due to poor performance. Movement through the revised pay band shall be based on employee performance.

S. The base rates of pay, and related employee benefits, for wage employees may be increased by up to 3.00 percent on November 25, 2005. The cost of such increases for wage employees shall be borne by funds appropriated to each agency.

T. Out of this appropriation an amount estimated at $523,132 the second year from the general fund shall be transferred to affected state agency budgets to cover the general fund portion of the cost of the November 25, 2005, statewide salary adjustments made for Virginia Information Technologies Agency employees assigned to those agencies.