

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 581

BY APPROPRIATIONS COMMITTEE

AN ACT

APPROPRIATING MONEYS TO THE DIVISION OF VETERANS SERVICES FOR FISCAL YEAR 2015; LIMITING THE NUMBER OF AUTHORIZED FULL-TIME EQUIVALENT POSITIONS; AND PROVIDING GUIDANCE FOR EMPLOYEE COMPENSATION.

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

SECTION 1. There is hereby appropriated to the Division of Veterans Services, the following amounts to be expended for the designated expense classes, from the listed funds for the period July 1, 2014, through June 30, 2015:

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDITURES	FOR CAPITAL OUTLAY	FOR TRUSTEE AND BENEFIT PAYMENTS	TOTAL
FROM:					
General					
Fund	\$914,900			\$49,400	\$964,300
Miscellaneous Revenue					
Fund	12,018,900	\$1,814,100	\$488,300		14,321,300
Veterans Home Endowment Income					
Fund	62,400	579,100		1,500	643,000
Federal Grant					
Fund	<u>6,338,400</u>	<u>6,687,200</u>	<u>1,201,200</u>	<u>0</u>	<u>14,226,800</u>
TOTAL	\$19,334,600	\$9,080,400	\$1,689,500	\$50,900	\$30,155,400

SECTION 2. FTP AUTHORIZATION. In accordance with Section 67-3519, Idaho Code, the Division of Veterans Services is authorized no more than three hundred twenty-eight (328) full-time equivalent positions at any point during the period July 1, 2014, through June 30, 2015, unless specifically authorized by the Governor. The Joint Finance-Appropriations Committee will be notified promptly of any increased positions so authorized.

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

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

The Legislature also finds that investing in state employee compensation should remain a high priority even in tough economic times, and therefore strongly encourages agency directors, institution executives and the Division of Financial Management to approve the use of salary savings to provide either one-time or ongoing merit increases for deserving employees and also to target employees who are below policy compensation. Such salary savings could result from turnover and attrition, or be the result of innovation and reorganization efforts that create savings. Such savings should be reinvested in employees. Agencies are cautioned to use one-time funding for one-time payments and ongoing funding for permanent pay increases.