

SENATE BILL No. 501

By Committee on Ways and Means

3-8

1 AN ACT concerning state employees; establishing a performance based
2 bonus program.

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4 *Be it enacted by the Legislature of the State of Kansas:*

5 Section 1. (a) The secretary of administration shall establish criteria
6 for a non-discretionary performance based bonus program for state
7 employees. Such program criteria shall ensure that the program contributes
8 to the overall efficient performance of state agencies; ties employee
9 performance to state agency performance; demonstrates a positive return
10 on investment for the state agency; and establishes procedures to monitor
11 the effectiveness of the program.

12 (b) If a state agency determines it is efficient to implement a non-
13 discretionary performance based bonus program, such state agency shall
14 submit the agency's non-discretionary performance based bonus program
15 to an approval committee prior to implementation. The approval
16 committee shall consist of the following members: A staff member of the
17 governor's department, appointed by the governor; the agency head of the
18 state agency submitting the proposed program; the director of the budget;
19 the director of personnel services in the department of administration; and
20 the chairperson of the state civil service board. The committee shall
21 approve or reject the program based on criteria established by the secretary
22 of administration pursuant to subsection (a).

23 (c) No bonus paid pursuant to this section during the fiscal year shall
24 be compensation, within the meaning of K.S.A. 74-4901 et seq., and
25 amendments thereto, for any purpose under the Kansas public employees
26 retirement system and shall not be subject to deductions for employee
27 contributions thereunder. Such bonuses are subject to taxes in accordance
28 with federal internal revenue code regulations and shall not be deemed in
29 violation of K.S.A. 46-237a, and amendments thereto. The secretary of
30 administration shall ensure that each program is in compliance with the
31 federal fair labor standards act, 29 U.S.C. § 201 et seq., and shall make
32 any necessary adjustments to the central accounting system and the state
33 payroll system.

34 (d) The secretary of administration shall adopt rules and regulations
35 to implement this section.

36 (e) As used in this section, "state agency" has the meaning ascribed

1 thereto by K.S.A. 75-3701, and amendments thereto, and includes the
2 governor's department, lieutenant governor, attorney general, secretary of
3 state, state treasurer, commissioner of insurance, each agency of the
4 executive branch, the legislature and each agency of the legislative branch,
5 the judicial branch and each agency of the judicial branch and any
6 appointed state council or state commission.

7 Sec. 2. This act shall take effect and be in force from and after its
8 publication in the statute book.