

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2014

Bill Number: H. 882 Name of Bill: An act relating to compensation for certain State employees

Agency/Dept: AOA/DHR Author of Bill Review Kate G. Duffy

Date of Bill Review: April 1, 2014 Status of bill (check one)

☐ Upon introduction ☒ As passed by 1st body ☐ As passed by both bodies ☐ Fiscal

Recommended Position:

☒ Support ☐ Oppose ☐ Remain Neutral ☐ Support with Modifications

ANALYSIS

1. Summary of bill and issues it addresses.

H. 882 authorizes statutory increases in salaries for elected officials and permits exempt employees in the Executive, Judicial and Legislative branches to receive cost of living and merit increases up to the rate of adjustment of 3.3%. The bill also appropriates sufficient funding for such increases and to fund the collective bargaining agreements for unionized state employees entered into with the VSEA.

2. Is there a need for this bill?

Yes. The bill is necessary to provide the Governor with authority to increase exempt employees' salaries in the Executive branch in a manner that is consistent with salaries paid to classified employees. The bill is necessary to give the Court Administrator authority to increase exempt employees' salaries in the Judicial branch in a manner consistent with salaries paid to classified employees. The bill is necessary to give the Legislature authority to provide salary increases to legislative employees. The bill is necessary because it provides legislative approval for collective bargaining agreements negotiated with the VSEA. The bill is also necessary as it appropriates funding for all of these increases.

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

DHR will administer any pay increases authorized by the Governor, and exempt employees in DHR could receive salary increases as a result of the bill.

4. What are likely to be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?

Exempt employees in agencies and departments throughout state government will be eligible for modest salary increases. This will be well received.

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it?

See attached for an analysis of fiscal impact.

6. Other stakeholders:

- 6.1 Who else is likely to support the proposal and why?

The Vermont State Employees' Association supports the bill because it fully funds the collective bargaining agreements entered into with the State.

- 6.2 Who else is likely to oppose the proposal and why?

Based upon the reaction to the bill in the House, we can expect Republicans to oppose the bill.

7. Rationale for recommendation:

The bill provides necessary authority for modest pay increases. Without pay increases for exempts, the State's ability to recruit and retain talent is hampered. At present, exempt staff is underpaid by market standards.

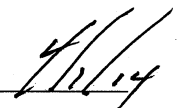
8. Specific modifications that would be needed to recommend support of this bill.

None.

Commissioner has reviewed this document:



Date:



**Pay Act FY15 & FY16- Bargained ABI 2.5% + 1.7%
steps= 4.2% : Exempts= 3.3% amended 3 26 13**

	FY 15 Initial	FY 15 Adjusted	FY16
Executive Branch GF	\$7,956,571	\$7,150,580	\$8,480,001
Judiciary GF (used 100%)	\$953,839	\$1,004,585	\$1,044,179
Legislative Branch GF	\$275,164	\$180,000	\$283,000
Executive Branch Special Federal Other	\$14,289,002	\$11,591,844	\$13,594,459
Executive Branch TF	\$2,000,000	\$2,000,000	\$2,000,000
TOTAL GF	\$9,185,574	\$8,335,165	\$9,807,179
GRAND TOTAL	\$25,474,576	\$21,927,009	\$25,401,638

Executive Branch GF

VSEA	\$6,040,859	\$5,431,693	\$6,381,328
ABI	\$3,234,225	\$2,908,083	\$3,785,115
Steps	\$2,199,273	\$1,977,496	\$2,573,879
Dental	\$409,346	\$368,067	\$21,961
Annualizes salary minimum vs livable wage	\$46,517	\$41,826	\$0
Other Provisions.	\$151,498.81	\$136,222	\$373
Total	\$6,040,859	\$5,431,693	\$6,381,328

VTA

Dental	\$21,212	\$19,073	\$1,138
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Mgrs & Confidentials

Total	\$733,361	\$659,408	\$814,652
ABI	\$413,271	\$371,597	\$483,664
Steps	\$281,024	\$252,686	\$328,892
Dental	\$39,066	\$35,126	\$2,096

Exempts & Temps

Total	\$1,180,013	\$1,042,145	\$1,282,883
ABI	\$716,162	\$643,943	\$835,046
Steps	\$380,858	\$340,549	\$444,397
Dental	\$64,119	\$57,653	\$3,440

Executive Branch Total

TOTAL	\$7,956,571	\$7,150,580	\$8,480,001
ABI	\$4,363,658	\$3,921,884	\$5,103,825
Steps	\$2,861,156	\$2,570,731	\$3,347,168
Dental	\$533,741	\$479,918	\$28,634
Annualizes salary minimum vs livable wage	\$46,517	\$41,826	\$0
Other Provisions.	\$151,499	\$136,222	\$373

Judiciary (includes temps)

Total	\$953,839	\$1,004,585	\$1,044,179
ABI	573,462	595,809	631,207
Steps	358,028	388,681	411,774
Dental	22,349	20,095	1,199

Leg (includes temps & General Assembly)

Total	\$275,164	\$180,000	\$283,000
ABI	186,762	110,368	194,183
Steps	84,370	66,006	88,600
Dental	4,033	3,626	216

Total	275,164	180,000	283,000
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GF GRAND TOTAL- 3 BRANCHES

ABI	\$5,123,882	\$4,628,060	\$5,929,215
Steps	\$3,303,554	\$3,025,418	\$3,847,542
Dental	\$560,123	\$503,640	\$30,049
Annualizes salary minimum vs livable wage	\$46,517	\$41,826	\$0
Other Provisions.	\$151,499	\$136,222	\$373
TOTAL	\$9,185,574	\$8,335,165	\$9,807,179

Dept of State's Attornies & Sheriffs is included in executive branch total.

The estimated GF share for staff in this department is

ABI	\$58,473	\$52,553	\$68,391
Steps	\$33,092	\$29,201	\$39,387
Dental	\$7,152	\$6,431	\$384
Total	\$98,717	\$88,185	\$108,162