

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 341*
Committee Substitute Favorable 4/21/93

Short Title: GPAC/Compensation and Benefits Evaluations.

(Public)

Sponsors:

Referred to:

February 25, 1993

1 A BILL TO BE ENTITLED
2 AN ACT TO IMPLEMENT THE RECOMMENDATIONS OF THE GOVERNMENT
3 PERFORMANCE AUDIT COMMITTEE WITH REGARDS TO
4 COMPENSATION AND BENEFITS PROVIDED BY THE STATE.

5 The General Assembly of North Carolina enacts:

6 Section 1. Article 1 of Chapter 143 of the General Statutes is amended by
7 adding a new section to read:

8 **"§ 143-11.1. Comprehensive compensation and benefit program evaluation.**

9 (a) On or before the fifteenth day of December of each year, the Director shall
10 have conducted a comprehensive compensation and benefit program evaluation for all
11 full-time, part-time, and temporary employees supported by funds appropriated by the
12 State, either through direct appropriations to State departments, agencies, boards, and
13 commissions for salary and benefit purposes, or through appropriations to State
14 departments, agencies, boards, and commissions for State aid to political subdivisions of
15 the State. This comprehensive evaluation shall include, but not be limited to, a survey
16 and review of:

- 17 (1) Benefit programs offered by other states and employers within the
18 Southeast region;
- 19 (2) Employer costs associated with benefit programs provided;
- 20 (3) Benefit levels provided by the programs (i.e. life insurance equal to
21 two times annual compensation); and
- 22 (4) Compensation program and respective salary levels.

1 (b) This evaluation should include a review of health, retirement, leave policies
2 and practices, holidays, and assigned as well as actual salary levels. This evaluation
3 should provide the information needed for the State to determine whether its total
4 benefit package is competitive in relation to programs offered, benefit levels provided,
5 and costs associated with providing employee benefits.

6 (c) Using a Total Benefits Index concept, the State's total compensation and
7 benefit package shall be reviewed in relation to compensation and benefit programs
8 offered, compensation and benefit levels provided, and costs associated with providing
9 employee pay and benefits by employers of similar scope and size as the State.

10 Incremental differences will be measured on a quantifiable basis between the State
11 and the market's programs."

12 Sec. 2. To avoid duplication of effort, the Director of the Budget shall
13 coordinate with the Office of State Personnel and other state agencies in completing the
14 comprehensive compensation and benefit evaluation.

15 Sec. 3. The Director of the Budget shall report the results of the
16 comprehensive compensation and benefit evaluation and a summary of findings and
17 recommendations to the General Assembly no later than December 31 of each year.
18 Copies of the report shall be transmitted to the Speaker of the House of Representatives,
19 to the President Pro Tempore of the Senate, and to the Fiscal Research Division.

20 Sec. 4. This act is effective upon ratification.