

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

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**HOUSE BILL 403**

Short Title: Consultation Required for SPA Class. Changes. (Public)

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Sponsors: Representatives Wainwright, Pierce (Primary Sponsors); and Faison.

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Referred to: State Personnel.

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February 28, 2007

A BILL TO BE ENTITLED  
AN ACT REQUIRING CONSULTATION WITH THE GENERAL ASSEMBLY  
BEFORE ADOPTION OF CLASSIFICATION AND PAY SYSTEMS BY THE  
STATE PERSONNEL COMMISSION.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 126-4 reads as rewritten:

**"§ 126-4. Powers and duties of State Personnel Commission.**

Subject to the approval of the Governor, and with respect to subdivisions (1) and (2) of this section also subject to consultation with the General Assembly, the State Personnel Commission shall establish policies and rules governing each of the following:

- (1) Position classification plans which shall provide for the classification and reclassification of all positions subject to this Chapter according to the duties and responsibilities of the positions.
- (2) Compensation plans which shall provide for minimum, maximum, and intermediate rates of pay for all employees subject to the provisions of this Chapter.
- (3) For each class of positions, reasonable qualifications as to education, experience, specialized training, licenses, certifications, and other job-related requirements pertinent to the work to be performed.
- (4) Recruitment programs designed to promote public employment, communicate current hiring activities within State government, and attract a sufficient flow of internal and external applicants; and determine the relative fitness of applicants for the respective positions.
- (5) Hours and days of work, holidays, vacation, sick leave, and other matters pertaining to the conditions of employment. The legal public holidays established by the Commission as paid holidays for State employees shall include Martin Luther King, Jr.'s Birthday and Veterans Day. The Commission shall not provide for more than 11

- 1 paid holidays per year except that in those years in which Christmas  
2 Day falls on a Tuesday, Wednesday, or Thursday, the Commission  
3 shall not provide for more than 12 paid holidays.
- 4 (5a) In years in which New Year's Day falls on Saturday, the Commission  
5 may designate December 31 of the previous calendar year as the New  
6 Year's holiday, provided that the number of holidays for the previous  
7 calendar year does not exceed 12 and the number of holidays for the  
8 current year does not exceed 10. When New Year's Day falls on either  
9 Saturday or Sunday, the constituent institutions of The University of  
10 North Carolina that adopt alternative dates to recognize the legal  
11 public holidays set forth in subdivision (5) of this section and  
12 established by the Commission may designate, in accordance with the  
13 rules of the Commission and the requirements of this subdivision,  
14 December 31 of the previous calendar year as the New Year's holiday.
- 15 (6) The appointment, promotion, transfer, demotion and suspension of  
16 employees.
- 17 (7) Cooperation with the State Board of Education, the Department of  
18 Public Instruction, the University of North Carolina, and the  
19 Community Colleges of the State and other appropriate resources in  
20 developing programs in, including but not limited to, management and  
21 supervisory skills, performance evaluation, specialized employee  
22 skills, accident prevention, equal employment opportunity awareness,  
23 and customer service; and to maintain an accredited Certified Public  
24 Manager program.
- 25 (7a) The separation of employees.
- 26 (8) A program of meritorious service awards.
- 27 (9) The investigation of complaints and the issuing of such binding  
28 corrective orders or such other appropriate action concerning  
29 employment, promotion, demotion, transfer, discharge, reinstatement,  
30 and any other issue defined as a contested case issue by this Chapter in  
31 all cases as the Commission shall find justified.
- 32 (10) Programs of employee assistance, productivity incentives, equal  
33 opportunity, safety and health as required by Part 1 of Article 63 of  
34 Chapter 143 of the General Statutes, and such other programs and  
35 procedures as may be necessary to promote efficiency of  
36 administration and provide for a fair and modern system of personnel  
37 administration. This subdivision may not be construed to authorize the  
38 establishment of an incentive pay program.
- 39 (11) In cases where the Commission finds discrimination, harassment, or  
40 orders reinstatement or back pay whether (i) heard by the Commission  
41 or (ii) appealed for limited review after settlement or (iii) resolved at  
42 the agency level, the assessment of reasonable attorneys' fees and  
43 witnesses' fees against the State agency involved.
- 44 (12) Repealed by Session Laws 1987, c. 320, s. 2.

- 1 (13) Repealed by Session Laws 1987, c. 320, s. 3.  
2 (14) The implementation of G.S. 126-5(e).  
3 (15) Recognition of State employees, public personnel management, and  
4 management excellence.  
5 (16) The implementation of G.S. 126-7.  
6 (17) An alternative dispute resolution procedure.  
7 (18) Delegation of authority for approval of personnel actions through  
8 decentralization agreements with the heads of State agencies,  
9 departments, and institutions.  
10 a. Decentralization agreements with Executive Branch agencies  
11 shall require a person, designated in the agency, to be  
12 accountable to the State Personnel Director for the compliance  
13 of all personnel actions taken pursuant to the delegated  
14 authority of the agency. Such agreements shall specify the  
15 required rules and standards for agency personnel  
16 administration.  
17 b. The State Personnel Director shall have the authority to take  
18 appropriate corrective actions including adjusting employee  
19 salaries and changing employee classifications that are not in  
20 compliance with policy or standards and to suspend  
21 decentralization agreements for agency noncompliance with the  
22 required personnel administration standards.

23 The policies and rules of the Commission shall not limit the power of any elected or  
24 appointed department head, in the department head's discretion and upon the department  
25 head's determination that it is in the best interest of the Department, to transfer, demote,  
26 or separate a State employee who is not a career State employee as defined by this  
27 Chapter."

28 **SECTION 2.** This act is effective when it becomes law.