

April 7, 2009

H 1172. TAKE VOLUNTARY FURLOUGHS/STATE GOV. & SCHOOLS. Filed 4/7/09. *ALLOWING STATE EMPLOYEES AND PUBLIC SCHOOL PERSONNEL TO TAKE VOLUNTARY FURLOUGHS TO EFFECT NECESSARY ECONOMIES IN STATE EXPENDITURES, THEREBY REDUCING THE NEED FOR REDUCTIONS IN FORCE AND MANDATORY FURLOUGHS DURING THE CURRENT AND ANY FUTURE ECONOMIC CRISIS.*

Adds new GS 126-8.6 to Article 2 of Chapter 126 of the General Statutes to authorize the Governor to authorize voluntary furloughs of state employees. Defines state agency to include a state agency, department or institution in the executive branch of State government, including the University of North Carolina and the North Carolina Community College System. Defines voluntary furlough as a temporary voluntary period of leave from employment without pay up to a maximum of 20 days per fiscal year for nonessential positions and a maximum of 10 days per fiscal year for essential positions. Prescribes treatment of voluntarily furloughed employees for purposes of the State Retirement System and State Health Plan. Imposes special restrictions on employees in essential positions. Directs state agencies with employees not subject to the State Personnel Act to adopt emergency rules substantially equivalent to the rules of the State Personnel Commission.

Amends GS 7A-343 to authorize the Director of the Administrative Office of the Courts to implement a voluntary furlough program for employees of the Judicial Department upon a determination by the Chief Justice that the program is necessary to affect economies in state expenditures.

Amends GS 115C-47 to authorize local boards of education to provide for the voluntary furlough of employees if it is necessary to affect economies in expenditures.

Amends GS 120-32 to authorize the Legislative Services Commission to provide for the voluntary furlough of legislative employees, if it determines that the furloughs are necessary to affect economies in state expenditures.

Directs the Office of State Personnel, in consultation with the Office of State Budget and Management, to adopt emergency rules for the implementation of the act in accordance with GS 150A-21.1A, except that the rules will remain in effect until July 30, 2010.

Intro. by Owens, Gibson.

GS 126

April 15, 2009

H 1172. TAKE VOLUNTARY FURLOUGHS/STATE GOV. & SCHOOLS. Filed 4/7/09. House committee substitute makes the following changes to 1st edition.

Amends proposed GS 126-8.6 to delete the definition for *state agency*; instead, defines *public agency* to encompass (1) a state agency, department, or institution; (2) the executive, legislative, and judicial branches of state government; (3) the University of North Carolina; (4) the North Carolina Community College System; and (5) local school administrative units. Defines *public employee* as an employee employed by a *public agency*. Makes conforming changes replacing the term *state employee* with the term *public employee* and replacing the term *state agency* with *public agency*. Amends the definition for *voluntary furlough* to mean a temporary voluntary period of leave from employment without pay up to a maximum of 30 days (was, 20 days) per fiscal year for nonessential positions and a maximum of 10 days for essential positions.

Deletes proposed amendments regarding implementation of equivalent emergency rules for employees not subject to the State Personnel Act and instead amends GS 126-5 to direct that the provisions of proposed GS 126-8.6 apply to all exempt and nonexempt employees in a public agency as defined in proposed GS 126-8.6 as amended. Deletes proposed amendments to GS 7A-343 (judicial employees), GS 115C-47 (public school personnel), and GS 120-32 (legislative employees).

May 7, 2009

H 1172. TAKE VOLUNTARY FURLOUGHS/ STATE GOV. & SCHOOLS. Filed 4/7/09. House committee substitute makes the following changes to 2nd edition.

Modifies the definition for *public agency* to mean a state agency, department, or institution *in* the executive branch of state government (was, a state agency, department, or institution; *and* the executive, legislative, and judicial branches of state government). Continues to define the University of North Carolina, the NC Community College System, and a local school administrative unit as a public agency.

Requires the Governor to consult with each public agency head to determine whether to implement a voluntary furlough for (1) the entire public agency or (2) within one or more designated units of the public agency. Deletes provision providing that the Governor may create incentives to encourage state employees to take voluntary furloughs.

Clarifies that a member of (1) any of the state-supported retirement plans (was, retirement plans) administered by the Retirement Systems Division of the Department of the State Treasurer (Retirement Systems Division) or (2) an Optional Retirement Program (ORP) administered under GS 135-5.1 or GS 135-5.4 is considered in active service during any period of furlough and entitled to all of the same benefits to which the employee was entitled on the workday immediately preceding the furlough. Directs that there is to be no diminution of retirement average final compensation based on being on voluntary furlough and that the retirement average final compensation be calculated based on the undiminished compensation. Requires *the employer* to pay both employer and employee contributions to the Retirement Systems Division or ORP on behalf of the employee on voluntary furlough. Provides that the provisions of the subsection apply to all voluntary furloughs whether in a public agency, the legislative or judicial branches of state government, or in a local school administrative unit.

Directs public agencies with employees who are not subject to the State Personnel Act to adopt emergency rules substantially equivalent to the rules of the State Personnel Commission. Provides that to the extent possible, all employees on voluntary furlough should be subject to the same rules. Directs the Office of State Personnel to provide technical assistance to public agency heads to expedite implementation of a voluntary furlough program.

Amends GS 7A-343 to provide that upon a determination of its necessity, the Chief Justice is to implement a voluntary furlough program for Judicial Department employees. Amends GS 115C-47 to authorize local boards of education to provide for the voluntary furlough of employees upon determining that the furloughs are economically necessary. Amends GS 120-32 to provide for the voluntary furlough of legislative employees if it is determined that the furloughs are economically necessary. Provides that the provisions of proposed GS 126-8.6(c) regarding employee benefits apply to each of aforementioned amendments and that the term *voluntary furlough* has the same meaning in these amended statutes as in GS 126-8.6(a)(5).

Directs the Office of State Personnel (was, the State Personnel Commission) in consultation with the Office of State Budget and Management to adopt emergency rules for the implementation of this act and provides that the emergency rules may remain in effect until June 30, 2011, (was, June 30, 2010).

Makes conforming changes to the title.

August 5, 2009

H 1172. SCHOOL-BASED ADMINISTRATOR SALARY SCHEDULE (NEW). Filed 4/7/09. Senate committee substitute deletes all the provisions of the 3rd edition and replaces it with *AN ACT TO ENACT THE BASE SALARY SCHEDULE FOR SCHOOL-BASED ADMINISTRATORS*. Provides that if Senate Bill 202 (Appropriations Act of 2009) becomes law, then Section 26.16 (School-Based Administrator Salary Schedule) is amended to provide that there will not be a salary decrease as otherwise required by the administrator salary schedule for school-based administrators who were employed (1) during the 2008-09 school year but did not work the required number of months to acquire an additional year of experience and (2) during the 2009-10 school year in the same classification. Adopts House provision (6th edition) for school-based administrator salary schedule. Sets out further provisions that are identical to Section 26.16 of the conference report. Effective July 1, 2009.

August 18, 2009

**SL 2009-450 (H 1172). SCHOOL-BASED ADMINISTRATOR SALARY SCHEDULE. AN
ACT TO ENACT THE BASE SALARY SCHEDULE FOR SCHOOL-BASED ADMINISTRATORS.**
Summarized in *Daily Bulletin* 8/5/09. Enacted August 7, 2009. Effective July 1, 2009.