

# **FY 2006 Salary Bill House Study Bill 297**

Proposed Action:  
**House Appropriations  
Committee**  
April 13, 2005

**DRAFT**

**An Act relating to the compensation and benefits for public officials and employees and members of the general assembly, providing for related matters, making appropriations, and including an effective date provision.**

**Fiscal Services Division  
Legislative Services Agency**

**NOTES ON BILLS AND AMENDMENTS (NOBA)**

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# EXECUTIVE SUMMARY NOTES ON BILLS AND AMENDMENTS

# HOUSE STUDY BILL 297 FY 2006 SALARY BILL

## SIGNIFICANT SALARY ACT PROVISIONS

- Provides a 4.5% salary increase for justices, judges, and magistrates for FY 2006. Increases are effective July 1, 2005. (Page 1, Line 1)
- Provides 17.3% salary increase for elected executive officials, with the exception of the Governor, for FY 2006, effective July 1, 2005. (Page 2, Line 7)
- Provides salary range adjustments for appointed officials for FY 2006, effective July 1, 2005. (Page 3, Line 34 through Page 6, Line 11)
- Appropriates \$72.9 million from the General Fund to the Salary Adjustment Fund for FY 2006 for the negotiated bargaining agreements for contract-covered employees and noncontract employees, including the State Board of Regents. (Page 6, Line 12)
- Provides a 2.5% increase to the pay range maximum effective March 24, 2006, and merit step increases for noncontract employees of the State for FY 2006 (Page 7, Line 31)
- Allocates an estimated \$24.9 million of the \$72.9 million appropriation to the Salary Adjustment Fund to the Board of Regents. (Page 8, Line 27)
- Appropriates Road Use Tax Fund (RUTF) and Primary Road Fund (PRF) moneys to pay salary increases for employees supported from these Funds. (Page 9, Line 8 and Page 9, Line 16)
- Specifies that sworn peace officers in the Department of Public Safety, not covered by a collective bargaining agreement, receive the same per diem meal allowance as covered sworn peace officers. (Page 10, Line 13)
- Extends the Sick Leave Conversion Program to noncontract-covered Executive Branch employees, excluding the Board of Regents employees, effective July 1, 2006. Requires the Department of Administrative Services to submit proposed statutory and administrative rule changes necessary to implement the Program to the General Assembly by December 1, 2005. (Page 10, Line 20)
- Increases salaries and expense payments for members of the General Assembly. (Page 10, Line 32)
- Increases the annual salary of members of the Racing and Gaming Commission from \$6,000 to \$10,000. (Page 13, Line 14)
- Provides that the Section relating to salary and expense increases for members of the General Assembly are effective in January 2007, upon the convening of the Eighty-second General Assembly. (Page 13, Line 13)

## SIGNIFICANT CHANGES TO THE CODE OF IOWA

## EFFECTIVE DATE

LSB1106H

LSB1106H provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
3	5	3	Nwthstnd	Sec. 20.5(3)	Public Employment Relations Board Member Salaries
10	32	14	Amends	Sec. 2.10(1), (2), (5), and (6)	Salaries and Expense Payments for Members of the General Assembly
13	4	15	Amends	Sec. 99D.5(4)	Racing and Gaming Commission Salaries

1 1 Section 1. STATE COURTS -- JUSTICES, JUDGES, AND  
 1 2 MAGISTRATES.  
 1 3 1. The salary rates specified in subsection 2 are for the  
 1 4 fiscal year beginning July 1, 2005, effective for the pay  
 1 5 period beginning July 1, 2005, and for subsequent fiscal years  
 1 6 until otherwise provided by the general assembly. The  
 1 7 salaries provided for in this section shall be paid from funds  
 1 8 appropriated to the judicial branch from the salary adjustment  
 1 9 fund or if the appropriation is not sufficient, from funds  
 1 10 appropriated to the judicial branch pursuant to any Act of the  
 1 11 general assembly.  
 1 12 2. The following annual salary rates shall be paid to the  
 1 13 persons holding the judicial positions indicated during the  
 1 14 fiscal year beginning July 1, 2005, effective with the pay  
 1 15 period beginning July 1, 2005, and for subsequent pay periods.  
 1 16 a. Chief justice of the supreme court:  
 1 17 ..... \$ 132,720  
 1 18 b. Each justice of the supreme court:  
 1 19 ..... \$ 128,000  
 1 20 c. Chief judge of the court of appeals:  
 1 21 ..... \$ 127,920  
 1 22 d. Each associate judge of the court of appeals:  
 1 23 ..... \$ 123,120  
 1 24 e. Each chief judge of a judicial district:  
 1 25 ..... \$ 122,000  
 1 26 f. Each district judge except the chief judge of a  
 1 27 judicial district:  
 1 28 ..... \$ 117,040  
 1 29 g. Each district associate judge:  
 1 30 ..... \$ 102,000  
 1 31 h. Each associate juvenile judge:  
 1 32 ..... \$ 102,000  
 1 33 i. Each associate probate judge:  
 1 34 ..... \$ 102,000  
 1 35 j. Each judicial magistrate:  
 2 1 ..... \$ 30,400  
 2 2 k. Each senior judge:

Sets the FY 2006 salary rates for judicial positions and prohibits  
 judicial positions from receiving additional salary adjustments under  
 this Bill.  
  
 DETAIL: Provides a 4.49% salary increase on July 1, 2005, for  
 justices, judges, and magistrate. Total cost of these salary increases  
 is estimated at \$1,149,170 for FY 2006.

2 3	..... \$ 6,800	
2 4	3. Persons receiving the salary rates established under	
2 5	this section shall not receive any additional salary	
2 6	adjustments provided by this Act.	
2 7	Sec. 2. ELECTIVE EXECUTIVE OFFICIALS.	Sets the FY 2006 salary rates for elected executive officials.
2 8	1. The annual salary rates specified in this section are	
2 9	effective for the fiscal year beginning July 1, 2005, with the	DETAIL: Provides a 17.30% salary increase on July 1, 2005, for
2 10	pay period beginning July 1, 2005, and for subsequent fiscal	elected executive officials except the Governor. The Governor does
2 11	years until otherwise provided by the general assembly. The	not receive an increase. The increase includes an inflation
2 12	salaries provided for in this section shall be paid from funds	adjustment of 12.80% since the last increase and an additional 4.50%
2 13	appropriated to the department or agency specified in this	increase. Total cost of these salary increases is estimated at \$92,396
2 14	section from the salary adjustment fund or if the	for FY 2006.
2 15	appropriation is not sufficient, from funds appropriated to	
2 16	the department or agency pursuant to any Act of the general	
2 17	assembly.	
2 18	2. The following annual salary rates shall be paid to the	
2 19	person holding the position indicated:	
2 20	a. OFFICE OF THE GOVERNOR AND LIEUTENANT GOVERNOR	
2 21	(1) Salary for the governor:	
2 22	..... \$ 107,482	
2 23	(2) Salary for the lieutenant governor:	
2 24	..... \$ 89,967	
2 25	b. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP	
2 26	Salary for the secretary of agriculture:	
2 27	..... \$ 103,212	
2 28	c. DEPARTMENT OF JUSTICE	
2 29	Salary for the attorney general:	
2 30	..... \$ 123,669	
2 31	d. OFFICE OF THE AUDITOR OF STATE	
2 32	Salary for the auditor of state:	
2 33	..... \$ 103,212	
2 34	e. OFFICE OF THE SECRETARY OF STATE	
2 35	Salary for the secretary of state:	
3 1	..... \$ 103,212	
3 2	f. OFFICE OF THE TREASURER OF STATE	
3 3	Salary for the treasurer of state:	

3 4 ..... \$ 103,212

3 5 Sec. 3. APPOINTED STATE OFFICERS. Notwithstanding section  
 3 6 20.5, subsection 3, the governor shall establish a salary for  
 3 7 appointed nonelected persons in the executive branch of state  
 3 8 government holding a position enumerated in section 4 of this  
 3 9 Act within the range provided, by considering, among other  
 3 10 items, the experience of the individual in the position,  
 3 11 changes in the duties of the position, the incumbent's  
 3 12 performance of assigned duties, and subordinates' salaries.  
 3 13 However, the attorney general shall establish the salary for  
 3 14 the consumer advocate, the chief justice of the supreme court  
 3 15 shall establish the salary for the state court administrator,  
 3 16 the ethics and campaign disclosure board shall establish the  
 3 17 salary of the executive director, and the state fair board  
 3 18 shall establish the salary of the secretary of the state fair  
 3 19 board, each within the salary range provided in section 4 of  
 3 20 this Act.  
 3 21 The governor, in establishing salaries as provided in  
 3 22 section 4 of this Act, shall take into consideration other  
 3 23 employee benefits which may be provided for an individual  
 3 24 including, but not limited to, housing.

3 25 A person whose salary is established pursuant to section 4  
 3 26 of this Act and who is a full-time, year-round employee of the  
 3 27 state shall not receive any other remuneration from the state  
 3 28 or from any other source for the performance of that person's  
 3 29 duties unless the additional remuneration is first approved by  
 3 30 the governor or authorized by law. However, this provision  
 3 31 does not exclude the reimbursement for necessary travel and  
 3 32 expenses incurred in the performance of duties or fringe  
 3 33 benefits normally provided to employees of the state.

3 34 Sec. 4. STATE OFFICERS -- SALARY RANGE. The following  
 3 35 annual salary ranges are effective for the positions specified  
 4 1 in this section for the fiscal year beginning July 1, 2005,

Requires the Governor to set the salary for most nonelected State officials within the ranges authorized in Section 4. The salaries for the Consumer Advocate, State Court Administrator, Director of the Ethics and Campaign Disclosure Board, and Secretary of the State Fair Board are set by the appropriate directors or boards.

CODE: Requires the Governor to set the salaries of the Chairperson and the two members of the Public Employment Relations Board (PERB).

DETAIL: These salary range adjustments will have an unknown fiscal impact on FY 2006. The cost will be determined by where each nonelected State official will be placed in the new salary ranges.

Prohibits appointed nonelected State officials from receiving other State remuneration unless authorized by the Governor or by law. This does not apply to travel or expense reimbursements or fringe benefits.

Provides that salary ranges for appointed nonelected officials are effective for FY 2006.

4 2 and for subsequent fiscal years until otherwise provided by  
4 3 the general assembly. The governor or other person designated  
4 4 in section 3 of this Act shall determine the salary to be paid  
4 5 to the person indicated at a rate within this salary range  
4 6 from funds appropriated by the general assembly for that  
4 7 purpose.

4 8 1. The following are salary ranges for state officers for  
4 9 the fiscal year beginning July 1, 2005, effective with the pay  
4 10 period beginning July 1, 2005:

4 11 SALARY RANGE	<u>Minimum</u>	<u>Maximum</u>
4 12 a. Range 1 .....	\$ 8,800	\$ 33,753
4 13 b. Range 2 .....	\$45,395	\$ 68,100
4 14 c. Range 3 .....	\$52,210	\$ 78,315
4 15 d. Range 4 .....	\$60,040	\$ 90,062
4 16 e. Range 5 .....	\$69,045	\$103,571
4 17 f. Range 6 .....	\$79,405	\$119,107
4 18 g. Range 7 .....	\$95,055	\$142,578

Sets the salary rates and ranges for State officials and specifies that the ranges are effective with the pay period beginning July 1, 2005.

DETAIL: The maximum salary for any State official is increased by \$16,403 (13.00%) and the salary ranges have been compressed from nine down to seven.

The Director of the Department of Administrative Services has been added to salary range 7. The Iowa Lottery Commissioner has been eliminated from the salary range and the salary of the Iowa Lottery Authority President is established by the Iowa Lottery Board. The Chief Executive Officer for Iowa Public Employees' Retirement System (IPERS) is established by the IPERS Board. The directors of the Department of General Services, Information Technology Department, and the Department of Personnel have been eliminated from the salary ranges due to the elimination of the departments.

4 19 2. The following are range 1 positions: There are no  
4 20 range 1 positions for the fiscal year beginning July 1, 2005.

Establishes no State officials in salary range 1 (\$8,800 - \$33,753).

DETAIL: This is no change.

4 21 3. The following are range 2 positions: administrator of  
4 22 the arts division of the department of cultural affairs,  
4 23 administrators of the division of persons with disabilities,  
4 24 the division on the status of women, the division on the  
4 25 status of Asian and Pacific islander heritage, the division on  
4 26 the status of African-Americans, the division of deaf  
4 27 services, and the division of Latino affairs of the department  
4 28 of human rights, and administrator of the division of

Establishes eight State officials in salary range 2 (\$45,395 - \$68,100).

DETAIL: The Administrator for the Division on the Status of Asian and Pacific Islander Heritage of the Department of Human Rights is added to this salary range. The position has not been established.

The current salaries are as follows:

1. Administrator of the Arts Division of the Department of Cultural

4 29 professional licensing and regulation of the department of  
4 30 commerce.

- Affairs - Vacant.
2. Administrator of the Division of Persons with Disabilities of the Department of Human Rights - \$52,000.
  3. Administrator of the Division on the Status of Women of the Department of Human Rights - \$58,091.
  4. Administrator of the Division on the Status of Asian and Pacific Islander Heritage of the Department of Human Rights - Position has not been established.
  5. Administrator of the Division on the Status of African-Americans of the Department of Human Rights - \$52,000.
  6. Administrator of the Division of Deaf Services of the Department of Human Rights - \$58,081.
  7. Administrator of the Division of Latino Affairs of the Department of Human Rights - \$52,000.
  8. Administrator of the Division of Professional Licensing and Regulation of the Department of Commerce - Vacant.

4 31 4. The following are range 3 positions: administrator of  
4 32 the division of homeland security and emergency management of  
4 33 the department of public defense, administrator of the  
4 34 division of criminal and juvenile justice planning of the  
4 35 department of human rights, administrator of the division of  
5 1 community action agencies of the department of human rights,  
5 2 executive director of the commission of veterans affairs, and  
5 3 chairperson and members of the employment appeal board of the  
5 4 department of inspections and appeals.

Establishes seven State officials in salary range 3 (\$52,210 - 78,315), including three members of the Employment Appeal Board of the Department of Inspections and Appeals.

DETAIL: Maintains the same State officials in the salary range. The current salaries are as follows:

1. Administrator of the Division of Homeland Security and Emergency Management of the Department of Public Defense - \$70,246.
2. Administrator of the Division of Criminal and Juvenile Justice Planning of the Department of Human Rights - \$68,786.
3. Administrator of the Division of Community Action Agencies of the Department of Human Rights - \$60,214.
4. Executive Director of the Commission of Veterans Affairs - \$60,105.
5. Chairperson and two members of the Employment Appeal Board of the Department of Inspections and Appeals - \$65,882.

5 5 5. The following are range 4 positions: superintendent of  
5 6 banking, superintendent of credit unions, director of the

Establishes 15 State officials in salary range 4 (\$60,040 - \$90,062), including three members of the Public Employment Relations Board



5 7 department of human rights, director of the Iowa state civil  
 5 8 rights commission, executive director of the college student  
 5 9 aid commission, director of the department for the blind,  
 5 10 executive director of the ethics and campaign disclosure  
 5 11 board, members of the public employment relations board, and  
 5 12 chairperson, vice chairperson, and members of the board of  
 5 13 parole.

and five members of the Board of Parole.

DETAIL: A total of eight positions have been added to salary range 4. The positions and their current salaries are as follows:

1. Director of the Department of Human Rights - \$75,000.
2. Director of the Iowa State Civil Rights Commission - \$78,000.
3. Executive Director of the College Student Aid Commission - \$80,000.
4. Director of the Department for the Blind - \$80,340.
5. Executive Director of the Ethics and Campaign Disclosure Board - \$80,000.
6. Three members of the Public Employment Relations Board were established outside of the salary ranges with a set salary of \$70,761 for the Chairperson and \$65,920 for each of the two members.

The current salaries for positions remaining in salary range 4 are as follows:

1. Superintendent of Banking (Department of Commerce) - \$80,340.
2. Superintendent of Credit Unions (Department of Commerce) - \$79,320.
3. Board of Parole - Chairperson (\$75,693), Vice Chairperson (\$65,410), and three members \$74,335).

5 14 6. The following are range 5 positions: state public  
 5 15 defender, drug policy coordinator, labor commissioner,  
 5 16 workers' compensation commissioner, director of the department  
 5 17 of cultural affairs, director of the department of elder  
 5 18 affairs, director of the law enforcement academy, and  
 5 19 administrator of the historical division of the department of  
 5 20 cultural affairs.

Establishes eight State officials in salary range 5 (\$69,045 - \$103,571).

DETAIL: The Director of the Department of Human Rights is removed from salary range 5 and established in salary range 4 (\$60,040 - \$90,062). The current salary of the Director is \$75,000.

Three positions have been added to salary range 5. The positions and their current salaries are as follows:

1. Director of the Department of Cultural Affairs - \$89,103.
2. Director of the Department of Elder Affairs - \$91,000.
3. Director of the Iowa Law Enforcement Academy - \$91,155.

5 21 7. The following are range 6 positions: administrator of  
 5 22 the alcoholic beverages division of the department of  
 5 23 commerce, administrator of the state racing and gaming  
 5 24 commission of the department of inspections and appeals,  
 5 25 director of the department of inspections and appeals,  
 5 26 commandant of the veterans home, administrator of the public  
 5 27 broadcasting division of the department of education,  
 5 28 commissioner of public safety, commissioner of insurance,  
 5 29 executive director of the Iowa finance authority, director of  
 5 30 the department of natural resources, director of the  
 5 31 department of corrections, consumer advocate, and chairperson  
 5 32 of the utilities board. The other members of the utilities  
 5 33 board shall receive an annual salary within a range of not  
 5 34 less than 90 percent but not more than 95 percent of the  
 5 35 annual salary of the chairperson of the utilities board.

The current salaries for the five positions remaining in salary range 5 are as follows:

1. State Public Defender - \$90,434.
2. Drug Policy Coordinator - \$76,252.
3. Labor Commissioner (Workforce Development) - \$89,985.
4. Workers' Compensation Commissioner (Workforce Development) - \$90,434.
5. Administrator of the Historical Division of the Department of Cultural Affairs - Vacant.

Establishes 14 State officials in salary range 6 (\$79,405 - \$119,107).

DETAIL: Five positions are removed from salary range 6. The positions and their current salaries include:

1. Director of the Department of Human Rights (established in salary range 4) - \$75,000.
2. Director of the Iowa State Civil Rights Commission (established in salary range 4) - \$78,000.
3. Executive Director of the College Student Aid Commission (established in salary range 4) - \$80,000.
4. Director of the Department for the Blind (established in salary range 4) - \$80,340.
5. Executive Director of the Ethics and Campaign Disclosure Board (established in salary range 4) - \$80,000.

A total of 14 positions have been added to salary range 6. The positions and their current salaries include:

1. Administrator of the Alcoholic Beverages Division (Department of Commerce) - \$90,781.
2. Administrator of the State Racing and Gaming Commission (Department of Inspections and Appeals) - \$105,772.
3. Director of the Department of Inspections and Appeals - \$104,919.
4. Commandant of the Veterans Home - \$92,000.
5. Administrator of the Public Broadcasting Division (Department of Education) - \$96,000.
6. Commissioner of the Department of Public Safety - \$105,781.

6 1 8. The following are range 7 positions: director of the  
 6 2 department of education, director of human services, director  
 6 3 of the department of economic development, executive director  
 6 4 of the Iowa telecommunications and technology commission,  
 6 5 executive director of the state board of regents, director of  
 6 6 the state department of transportation, director of the  
 6 7 department of workforce development, director of revenue,  
 6 8 director of public health, state court administrator,  
 6 9 secretary of the state fair board, director of the department  
 6 10 of management, and director of the department of  
 6 11 administrative services.

7. Commissioner of Insurance (Department of Commerce) - \$92,000.
8. Executive Director of the Iowa Finance Authority - \$105,781.
9. Director of the Department of Natural Resources - \$105,781.
10. Director of the Department of Corrections - \$105,000.
11. Consumer Advocate - \$105,781.
12. Chairperson of the Utilities Board (Department of Commerce) - \$104,758.
13. Two members of the Utilities Board receive not less than 90.0% and not more than 95.0% of the annual salary of the Chairperson, with a current salary of \$99,521.

Establishes 13 State officials in salary range 7 (\$95,055 - \$142,578).

DETAIL: Three positions are removed from salary range 7. The positions and their current salaries include:

1. Director of the Department of Cultural Affairs (established in salary range 5) - \$89,103.
2. Director of the Department of Elder Affairs (established in salary range 5) - \$91,000.
3. Director of the Iowa Law Enforcement Academy (established in salary range 5) - \$91,155.

A total of 13 positions have been added to salary range 7. The positions and their current salaries include:

1. Director of the Department of Education - \$118,000.
2. Director of the Department of Human Services - \$126,175.
3. Director of the Department of Economic Development - \$126,125.
4. Executive Director of the Iowa Telecommunications and Technology Commission (ICN) - \$126,175.
5. Executive Director of the State Board of Regents - \$126,141.
6. Director of the State Department of Transportation - \$126,173.
7. Director of the Department of Workforce Development - \$113,580.
8. Director of the Department of Revenue - \$126,175.
9. Director of the Department of Public Health (formerly salary range 9) - \$122,720.
10. State Court Administrator - \$126,175.

6 12 Sec. 5. COLLECTIVE BARGAINING AGREEMENTS FUNDED -- GENERAL  
 6 13 FUND. There is appropriated from the general fund of the  
 6 14 state to the salary adjustment fund for distribution by the  
 6 15 department of management to the various state departments,  
 6 16 boards, commissions, councils, and agencies, including the  
 6 17 state board of regents, for the fiscal year beginning July 1,  
 6 18 2005, and ending June 30, 2006, the amount of \$72,900,000, or  
 6 19 so much thereof as may be necessary, to fully fund annual pay  
 6 20 adjustments, expense reimbursements, and related benefits  
 6 21 implemented pursuant to the following:

6 22 1. The collective bargaining agreement negotiated pursuant  
 6 23 to chapter 20 for employees in the blue collar bargaining  
 6 24 unit.

6 25 2. The collective bargaining agreement negotiated pursuant  
 6 26 to chapter 20 for employees in the public safety bargaining  
 6 27 unit.

6 28 3. The collective bargaining agreement negotiated pursuant  
 6 29 to chapter 20 for employees in the security bargaining unit.

6 30 4. The collective bargaining agreement negotiated pursuant  
 6 31 to chapter 20 for employees in the technical bargaining unit.

6 32 5. The collective bargaining agreement negotiated pursuant  
 6 33 to chapter 20 for employees in the professional fiscal and  
 6 34 staff bargaining unit.

6 35 6. The collective bargaining agreement negotiated pursuant  
 7 1 to chapter 20 for employees in the clerical bargaining unit.

7 2 7. The collective bargaining agreement negotiated pursuant  
 7 3 to chapter 20 for employees in the professional social  
 7 4 services bargaining unit.

7 5 8. The collective bargaining agreement negotiated pursuant  
 7 6 to chapter 20 for employees in the community-based corrections  
 7 7 bargaining unit.

7 8 9. The collective bargaining agreements negotiated

11. Secretary of the State Fair Board - \$124,051.  
 12. Director of the Department of Management - \$121,553.  
 13. Director of the Department of Administrative Services - \$124,918.

General Fund appropriation to the Salary Adjustment Fund of \$72,900,000 for FY 2006 to be distributed by the Department of Management (DOM) to the various State departments, boards, commissions, councils, and agencies, including the State Board of Regents, to pay salary increases negotiated by the bargaining units as listed.

DETAIL: The appropriation funds the collective bargaining agreements for contract-covered employees in all collective bargaining units. These include:

American Federation of State, County, and Municipal Employees (AFSCME - Central and CBCs) -

- Increase the pay range maximum by 2.50% effective April 1, 2006.
- Step increases of 4.50% for eligible employees during FY 2006.
- The State will pay any increase in health premiums until January 1, 2006.
- Establishes a Sick Leave Conversion Program effective July 1, 2006.
- Permits an employee's family to use the Employee Assistance Program (EAP).

Iowa United Professionals (IUP) - Social Services

- Change to pay plan 010 from pay plan 009 on April 1, 2006, provides a higher pay maximum than if they did not move.
- Step increases of 4.50% for eligible employees during FY 2006.
- Establishes a Sick Leave Conversion Program July 1, 2006.
- The State will pay any increase in health premiums until January 1, 2006.

Iowa United Professionals (IUP) - Science

- Increase the pay range maximum by 2.50% April 1, 2006.
- Step increases of 4.50% for eligible employees during FY 2006.

7 9 pursuant to chapter 20 for employees in the judicial branch of  
 7 10 government bargaining units.  
 7 11 10. The collective bargaining agreement negotiated  
 7 12 pursuant to chapter 20 for employees in the patient care  
 7 13 bargaining unit.  
 7 14 11. The collective bargaining agreement negotiated  
 7 15 pursuant to chapter 20 for employees in the science bargaining  
 7 16 unit.  
 7 17 12. The collective bargaining agreement negotiated  
 7 18 pursuant to chapter 20 for employees in the university of  
 7 19 northern Iowa faculty bargaining unit.  
 7 20 13. The collective bargaining agreement negotiated  
 7 21 pursuant to chapter 20 for employees in the state university  
 7 22 of Iowa graduate student bargaining unit.  
 7 23 14. The collective bargaining agreement negotiated  
 7 24 pursuant to chapter 20 for employees in the state university  
 7 25 of Iowa hospital and clinics tertiary health care bargaining  
 7 26 unit.  
 7 27 15. The annual pay adjustments, related benefits, and  
 7 28 expense reimbursements referred to in sections 6 and 7 of this  
 7 29 Act for employees not covered by a collective bargaining  
 7 30 agreement.

- Establishes a Sick Leave Conversion Program July 1, 2006.
- The State will pay any increase in health premiums until January 1, 2006.

State Police Officer's Council (SPOC) -

- 0.50% across-the-board salary increase on January 1, 2006.
- 1.00% across-the-board salary increases on April 1, 2006.
- Continuation of merit step increases for employees who are not on the top step of the pay range.
- The State will pay any increase in health premiums until January 1, 2006.

Judicial Public, Professional, and Maintenance Employees (PPME) -

- Increase the pay range maximum by 4.00% July 1, 2005.
- Step increases of 2.00% for eligible employees during FY 2006.
- 2.00% across-the-board salary increase on July 1, 2005.
- Beginning July 1, 2005, increases the deferred compensation match by the State. The State contributes \$1 for each \$2 deferred by the employee up to \$50 per month (\$600 annually).

Judicial AFSCME - Step increases of 4.50% for eligible employees during FY 2006.

Service Employees International Union (SEIU) - Tertiary Health Care at the University of Iowa -

- 4.50% across-the-board salary increase for nursing staff on July 1, 2005.
- 4.35% across-the-board salary increase for non-nursing staff on July 1, 2005.

American Federation of State, County, and Municipal Employees (AFSCME - Regents) -

- Increase the pay range maximum by 2.50% April 1, 2006.
- Step increases of 4.50% for eligible employees during FY 2006.
- The State will pay any increase in health premiums until January 1, 2006.
- Does not establish a Sick Leave Conversion Program.
- Permits an employee's family to use the Employee Assistance Program (EAP).

United Faculty of Iowa (UFI) - University of Northern Iowa

- 1.50% across-the-board salary increases on July 1, 2005.
- 1.00% across-the-board salary increases on January 1, 2006.

Campaign to Organize Graduate Students (COGS) - University of Iowa

- 1.50% across-the-board increases in the average graduate assistant stipend on July 1, 2005.
- The minimum level of tuition scholarship increases by \$650 July 1, 2005.

FISCAL IMPACT: An estimated \$48,046,229 will remain in the Salary Adjustment Fund to be distributed by the DOM after the allocation to the State Board of Regents in Section 7 of this Bill. The DOM assumes in their estimate that regular IPERS contributions will increase by 1.00%, effective July 1, 2005, to be divided evenly between the employer and the employees. Approximately \$2,800,000 of the remaining funds is associated with an assumed increase in IPERS contribution by the State.

7 31 Sec. 6. NONCONTRACT STATE EMPLOYEES -- GENERAL.

7 32 1. a. For the fiscal year beginning July 1, 2005, the  
7 33 maximum salary levels of all pay plans provided for in section  
7 34 8A.413, subsection 2, as they exist for the fiscal year ending  
7 35 June 30, 2005, shall be increased by 2.5 percent for the pay  
8 1 period beginning March 24, 2006, and any additional changes in  
8 2 the pay plans shall be approved by the governor.

8 3 b. For the fiscal year beginning July 1, 2005, employees  
8 4 may receive a step increase or the equivalent of a step  
8 5 increase.

8 6 2. The pay plans for state employees who are exempt from  
8 7 chapter 8A, subchapter IV, and who are included in the  
8 8 department of administrative service's centralized payroll  
8 9 system shall be increased in the same manner as provided in  
8 10 subsection 1, and any additional changes in any executive

Provides noncontract State employees with an increase in the pay range maximum of 2.50% on March 24, 2006, and continuation of merit step increases for employees that are not on the top of the pay range.

Specifies that noncontract State employee increases do not apply to:

1. Members of the General Assembly.
2. Board or commission members.
3. Salaries set by the General Assembly.
4. Salaries set by the Governor.
5. Employees under Section 8A.412(5), Code of Iowa, (presidents, deans, directors, teachers, professional and scientific personnel, and student employees of the Board of Regents).
6. Employees of the Board of Regents (except Board Office employees).

8 11 branch pay plans shall be approved by the governor.  
 8 12 3. This section does not apply to members of the general  
 8 13 assembly, board members, commission members, salaries of  
 8 14 persons set by the general assembly pursuant to this Act or  
 8 15 set by the governor, other persons designated in section 3 of  
 8 16 this Act, employees designated under section 8A.412,  
 8 17 subsection 5, and employees covered by 11 IAC 53.6(3).  
 8 18 4. The pay plans for the bargaining eligible employees of  
 8 19 the state shall be increased in the same manner as provided in  
 8 20 subsection 1, and any additional changes in such executive  
 8 21 branch pay plans shall be approved by the governor. As used  
 8 22 in this section, "bargaining eligible employee" means an  
 8 23 employee who is eligible to organize under chapter 20, but has  
 8 24 not done so.

8 25 5. The policies for implementation of this section shall  
 8 26 be approved by the governor.

8 27 Sec. 7. STATE EMPLOYEES -- STATE BOARD OF REGENTS. Funds  
 8 28 from the appropriation in section 5 of this Act shall be  
 8 29 allocated to the state board of regents for the purposes of  
 8 30 providing increases for state board of regents employees  
 8 31 covered by section 5 of this Act and for state board of  
 8 32 regents employees not covered by a collective bargaining  
 8 33 agreement as follows:  
 8 34 1. For regents merit system employees and merit  
 8 35 supervisory employees to fund for the fiscal year, increases  
 9 1 comparable to those provided for similar contract-covered  
 9 2 employees in this Act.  
 9 3 2. For faculty members and professional and scientific  
 9 4 employees to fund for the fiscal year, percentage increases  
 9 5 comparable to those provided for contract-covered employees in

7. Employees that exceed the pay for the top of the range.

DETAIL: The appropriation in Section 5 of this Bill provides funds for noncontract-covered employees including:

Judicial Exempt -

- Change to pay plan 030 from pay plan 014 effective April 1, 2006, to move in line with the AFSCME pay plan.
- Step increases of 4.50% for eligible employees during FY 2006.

Non-Contract -

- Increase the pay range maximum by 2.50% effective April 1, 2006.
- Step increases of 4.00% for eligible employees during FY 2006.
- Establishes a Sick Leave Conversion Program effective July 1, 2006.
- The State will pay any increase in health premiums until January 1, 2006.

Requires the Governor to approve the policies for implementation of this Section.

Allocates a portion of the \$72,900,000 appropriated in Section 5 of this Bill to the Board of Regents for contract and noncontract employee salary increases.

DETAIL: The Board of Regents merit system employees receive increases comparable to other contract-covered employees.

FISCAL IMPACT: The estimated allocation from the appropriation in Section 5 for the Board of Regents is \$24,766,026.

9 6 section 5, subsection 12, of this Act.

9 7 Sec. 8. APPROPRIATIONS FROM ROAD FUNDS.

9 8 1. There is appropriated from the road use tax fund to the  
 9 9 salary adjustment fund for the fiscal year beginning July 1,  
 9 10 2005, and ending June 30, 2006, the following amount, or so  
 9 11 much thereof as may be necessary, to be used for the purpose  
 9 12 designated:  
 9 13 To supplement other funds appropriated by the general  
 9 14 assembly:  
 9 15 ..... \$ 1,635,317

Road Use Tax Fund appropriation to the Salary Adjustment Fund.

9 16 2. There is appropriated from the primary road fund to the  
 9 17 salary adjustment fund, for the fiscal year beginning July 1,  
 9 18 2005, and ending June 30, 2006, the following amount, or so  
 9 19 much thereof as may be necessary, to be used for the purpose  
 9 20 designated:  
 9 21 To supplement other funds appropriated by the general  
 9 22 assembly:  
 9 23 ..... \$ 5,024,882

Primary Road Fund appropriation to the Salary Adjustment Fund.

DETAIL: The estimated Primary Road Fund appropriation to the Salary Adjustment Fund for FY 2006 is \$9,233,486. The amount appropriated in the Bill is not correct.

9 24 3. Except as otherwise provided in this Act, the amounts  
 9 25 appropriated in subsections 1 and 2 shall be used to fund the  
 9 26 annual pay adjustments, expense reimbursements, and related  
 9 27 benefits for public employees as provided in this Act.

Requires appropriations from the Road Use Tax Fund and the Primary Road Fund to be used as provided in this Bill

9 28 Sec. 9. SPECIAL FUNDS -- AUTHORIZATION. To departmental  
 9 29 revolving, trust, or special funds, except for the primary  
 9 30 road fund or the road use tax fund, for which the general  
 9 31 assembly has established an operating budget, a supplemental  
 9 32 expenditure authorization is provided, unless otherwise  
 9 33 provided, in an amount necessary to fund salary adjustments as  
 9 34 otherwise provided in this Act.

Provides supplemental expenditure authorization for revolving trust funds or other special funds, except the Road Use Tax Fund and the Primary Road Fund, to be used to fund salary adjustments



9 35 Sec. 10. GENERAL FUND SALARY MONEYS. Funds appropriated  
10 1 for distribution from the salary adjustment fund in section 5  
10 2 of this Act relate only to salaries supported from general  
10 3 fund appropriations of the state except for employees of the  
10 4 state board of regents. The funds allocated in this Act for  
10 5 employees of the state board of regents shall exclude general  
10 6 university indirect costs and general university federal  
10 7 funds.

Requires that the General Fund appropriation made in this Bill be used only to support salaries funded from the General Fund

10 8 Sec. 11. FEDERAL FUNDS APPROPRIATED. All federal grants  
10 9 to and the federal receipts of the agencies affected by this  
10 10 Act which are received and may be expended for purposes of  
10 11 this Act are appropriated for those purposes and as set forth  
10 12 in the federal grants or receipts.

Requires eligible federal funds received to be expended for salary adjustments where appropriate.

10 13 Sec. 12. STATE TROOPER MEAL ALLOWANCE. The sworn peace  
10 14 officers in the department of public safety who are not  
10 15 covered by a collective bargaining agreement negotiated  
10 16 pursuant to chapter 20 shall receive the same per diem meal  
10 17 allowance as the sworn peace officers in the department of  
10 18 public safety who are covered by a collective bargaining  
10 19 agreement negotiated pursuant to chapter 20.

Specifies that sworn peace officers in the Department of Public Safety, not covered by a collective bargaining agreement, receive the same per diem meal allowance as covered sworn peace officers.

10 20 Sec. 13. SICK LEAVE CONVERSION. Effective with the fiscal  
10 21 year beginning July 1, 2006, the sick leave conversion program  
10 22 under the collective bargaining agreement that covers the  
10 23 greatest number of state employees and that affects sick leave  
10 24 accrual and allows sick leave conversion and use upon  
10 25 retirement for payment of certain health insurance premiums,  
10 26 shall be extended to employees in the executive branch,  
10 27 excluding state board of regents employees, not covered by a  
10 28 collective bargaining agreement. By December 1, 2005, the  
10 29 department of administrative services shall submit to the  
10 30 general assembly proposed changes to the Code of Iowa and  
10 31 administrative rules needed to implement this program.

Extends the Sick Leave Conversion Program to noncontract-covered Executive Branch employees, excluding the Board of Regent's employees, effective July 1, 2006. Requires the Department of Administrative Services to submit proposed statutory and administrative rule changes necessary to implement the Program to the General Assembly by December 1, 2005.

DETAIL: The Program will permit employees to use the value of accumulated and unused sick leave first for the receipt of up to \$2,000 and then for the payment of the employer's share of health insurance premiums upon retirement and until age 65. Changes the accrual rate of sick leave based on the current balance of sick leave hours the employee has accrued.

10 32 Sec. 14. Section 2.10, subsections 1, 2, 5, and 6, Code  
 10 33 2005, are amended to read as follows:  
 10 34 1. Every member of the general assembly except the  
 10 35 presiding officer of the senate, the speaker of the house, the  
 11 1 majority and minority floor leader of each house, and the  
 11 2 president pro tempore of the senate and speaker pro tempore of  
 11 3 the house, shall receive an annual salary of ~~twenty twenty-~~  
 11 4 ~~five thousand one hundred twenty~~ dollars for the year ~~1997~~  
 11 5 2007 and subsequent years while serving as a member of the  
 11 6 general assembly. In addition, each such member shall receive  
 11 7 ~~the sum of eighty-six dollars per day a per diem, as defined~~  
 11 8 in subsection 5, for expenses of office, except travel, for  
 11 9 each day the general assembly is in session commencing with  
 11 10 the first day of a legislative session and ending with the day  
 11 11 of final adjournment of each legislative session as indicated  
 11 12 by the journals of the house and senate, except that if the  
 11 13 length of the first regular session of the general assembly  
 11 14 exceeds one hundred ten calendar days and the second regular  
 11 15 session exceeds one hundred calendar days, the payments shall  
 11 16 be made only for one hundred ten calendar days for the first  
 11 17 session and one hundred calendar days for the second session.  
 11 18 Members from Polk county shall receive ~~sixty-five dollars per~~  
 11 19 ~~day an amount per day equal to three-fourths of the per diem~~  
 11 20 of the non-Polk county members. Each member shall receive a  
 11 21 ~~two~~ three hundred dollar per month allowance for legislative  
 11 22 district constituency postage, travel, telephone costs, and  
 11 23 other expenses. Travel expenses shall be paid at the rate  
 11 24 established by section 8A.363 for actual travel in going to  
 11 25 and returning from the seat of government by the nearest  
 11 26 traveled route for not more than one time per week during a  
 11 27 legislative session unless the general assembly otherwise  
 11 28 provides.  
 11 29 2. The speaker of the house, presiding officer of the  
 11 30 senate, and the majority and minority floor leader of each  
 11 31 house shall each receive an annual salary of ~~thirty-one~~  
 11 32 thirty-seven thousand ~~thirty five hundred~~ dollars for the year  
 11 33 ~~1997~~ 2007 and subsequent years while serving in that capacity.

CODE: Increases salaries for members of the General Assembly.  
 Also increases daily expense and constituency payments.

DETAIL: Changes include:

- Increases the annual salary for members of the General Assembly (except the Presiding Officer of the Senate, the Speaker of the House, the Majority and Minority Floor Leader of each chamber, and the President Pro Tempore of the Senate, and Speaker Pro Tempore of the House) from \$21,000 to \$25,000, beginning January 2007.
- Increases the daily expense payment of \$86 per day to the federal government per diem rate. The current maximum federal per diem rate for Polk County is \$105. This is comprised of a maximum of \$70 for lodging and \$35 for meals and incidental expenses (M&IE). Polk County members will receive 75.0% of the maximum rate (\$78.75).
- Increases the constituency payment from \$200 per month to \$300 per month.
- Increases the annual salary for the Presiding Officer of the Senate, the Speaker of the House, and the Majority and Minority Floor Leader of each chamber, from \$31,030 to \$37,500, beginning in January 2007.
- Increases the annual salary for the President Pro Tempore of the Senate, and Speaker Pro Tempore of the House, from \$21,290 to \$27,000, beginning in January 2007.

11 34 The president pro tempore of the senate and the speaker pro  
11 35 tempore of the house shall receive an annual salary of  
12 1 ~~twenty-one~~ twenty-seven thousand ~~two hundred ninety~~ dollars  
12 2 for the year ~~1997~~ 2007 and subsequent years while serving in  
12 3 that capacity. Expense and travel allowances shall be the  
12 4 same for the speaker of the house and the presiding officer of  
12 5 the senate, the president pro tempore of the senate and the  
12 6 speaker pro tempore of the house, and the majority and  
12 7 minority leader of each house as provided for other members of  
12 8 the general assembly.

12 9 5. In addition to the salaries and expenses authorized by  
12 10 this section, a member of the general assembly shall be paid  
12 11 ~~eighty-six dollars per day a per diem~~, and necessary travel  
12 12 and actual expenses incurred in attending meetings for which  
12 13 per diem or expenses are authorized by law for members of the  
12 14 general assembly who serve on statutory boards, commissions,  
12 15 or councils, and for standing or interim committee or  
12 16 subcommittee meetings subject to the provisions of section  
12 17 2.14, or when on authorized legislative business when the  
12 18 general assembly is not in session. However, if a member of  
12 19 the general assembly is engaged in authorized legislative  
12 20 business at a location other than at the seat of government  
12 21 during the time the general assembly is in session, payment  
12 22 may be made for the actual transportation and lodging costs  
12 23 incurred because of the business. Such per diem or expenses  
12 24 shall be paid promptly from funds appropriated pursuant to  
12 25 section 2.12.

12 26 For purposes of this section, "per diem" means the maximum  
12 27 amount generally allowable to employees of the executive  
12 28 branch of the federal government for per diem while away from  
12 29 home at the seat of government.

12 30 6. If a special session of the general assembly is  
12 31 convened, members of the general assembly shall receive, in  
12 32 addition to their annual salaries, ~~the sum of eighty-six~~  
12 33 ~~dollars per day a per diem~~ for each day the general assembly  
12 34 is actually in special session, and the same travel allowances  
12 35 and expenses as authorized by this section. A member of the  
13 1 general assembly shall receive the additional per diem, travel

13 2 allowances and expenses only for the days of attendance during  
13 3 a special session.

13 4 Sec. 15. Section 99D.5, subsection 4, Code 2005, is  
13 5 amended to read as follows:  
13 6 4. Commission members are each entitled to receive an  
13 7 annual salary of ~~six~~ ten thousand dollars. Members shall also  
13 8 be reimbursed for actual expenses incurred in the performance  
13 9 of their duties to a maximum of thirty thousand dollars per  
13 10 year for the commission. Each member shall be covered by the  
13 11 blanket surety bond of the state purchased pursuant to section  
13 12 8A.321, subsection 12.

CODE: Increases the annual salary of members of the Racing and Gaming Commission from \$6,000 to \$10,000.

DETAIL: There are five members of the Commission.

13 13 Sec. 16. EFFECTIVE DATE. Section 14 of this Act takes  
13 14 effect upon the convening of the Eighty-second General  
13 15 Assembly in January 2007.

Provides that Section 14 of this Bill, relating to increases in salary and expense payments for members of the General Assembly's, is effective in January 2007, upon the convening of the Eighty-second General Assembly.

13 16 EXPLANATION

13 17 This bill relates to the funding for the fiscal year  
13 18 beginning July 1, 2005, of salary increases for state elected  
13 19 executive officers, state appointed nonelected officers,  
13 20 justices, judges, magistrates, employees subject to collective  
13 21 bargaining agreements, certain noncontract employees, and  
13 22 members of the general assembly.

13 23 The annual salaries of the state elected executive officers  
13 24 are increased by approximately 12.8 percent except for the  
13 25 governor's, which remains the same. The annual salaries of  
13 26 the justices, judges, and judicial magistrates are increased  
13 27 by approximately 5 percent.

13 28 The bill provides supplemental authorization to fund  
13 29 salaries from trust, revolving, and special funds for which  
13 30 the general assembly has established a budget.

13 31 The bill provides for a sick leave conversion program for  
13 32 executive branch employees not covered by a collective

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13 33 bargaining agreement, excluding board of regents employees.  
13 34 The bill increases the pay of the members of the general  
13 35 assembly, except for the leadership, from \$21,380.54 to  
14 1 \$25,000. The leadership's increase in pay is from \$32,974.06  
14 2 to \$37,500, with the president pro tem's and speaker pro tem's  
14 3 annual salary increasing from \$22,623.84 to \$27,000. The bill  
14 4 also increases the per diem from \$86 to the maximum amount  
14 5 allowed by the executive branch of the federal government  
14 6 while away from home at the seat of government, with Polk  
14 7 county legislators receiving three-fourths of that amount  
14 8 while the general assembly is in session. The bill increases  
14 9 the monthly legislative district constituency allowance from  
14 10 \$200 to \$300.  
14 11 The provisions relating to the compensation and benefits of  
14 12 the members of the general assembly in the bill take effect  
14 13 upon the convening of the Eighty-second General Assembly, 2007  
14 14 Session.  
14 15 The bill also provides that members of the racing and  
14 16 gaming commission are to receive an annual salary of \$10,000.  
14 17 LSB 1106XG 81  
14 18 mg:rj/sh/8.3

# Administration and Regulation

## General Fund

LSB1106H	Actual FY 2003	Actual FY 2004	Estimated FY 2005	House Subcom FY 2006	House Sub vs Est FY 2005	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Management, Department of</u></b>						
Salary Adjustment		\$ -13,410,826		\$ 72,900,000	\$ 72,900,000	PG 6 LN 12

# Administration and Regulation

## Non General Fund

LSB1106H	Actual FY 2003	Actual FY 2004	Estimated FY 2005	House Subcom FY 2006	House Sub vs Est FY 2005	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Management, Department of</u></b>						
Road Use Tax Salary Adjustment		\$ 3,000,000	\$ 3,000,000	\$ 5,024,882	\$ 2,024,882	PG 9 LN 8
Primary Road Salary Adjustment	2,395,580	12,000,000	12,000,000	1,635,317	-10,364,683	PG 9 LN 16
<b>Total Management, Department of</b>	<b>\$ 2,395,580</b>	<b>\$ 15,000,000</b>	<b>\$ 15,000,000</b>	<b>\$ 6,660,199</b>	<b>\$ -8,339,801</b>	