



HOUSE BILL 231: UNC & Comm. Coll. Pay/Retiree Bonus.

2019-2020 General Assembly

Committee:
Introduced by: Reps. Setzer, Howard, Henson
Analysis of: Fourth Edition

Date: October 23, 2019
Prepared by: Committee Staff

OVERVIEW: *Consistent with House Bill 966, House Bill 231 appropriate funds to provide legislatively mandated salary increases to employees of the University of North Carolina system and the North Carolina Community College system and to provide two one-time cost-of-living supplements for retirees of the Teachers' and State Employees' Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System.*

BILL ANALYSIS:

Part I of the House Bill 231 appropriates \$12.4 million in FY 2019-2020 and \$24.8 million in FY 2020-2021 for legislatively mandated salary increases for community college employees. Legislatively mandated salary increases for UNC employees are funded at a cost of \$15 million in the first year and \$30 million in the second year of the 2019-2021 fiscal biennium. In addition, UNC is appropriated faculty retention funds in the amount of \$6 million in FY 2019-2020 and \$11.4 million in FY 2020-2021. These amounts are consistent with the appropriations in H966.

Part II of the bill states that the policies adopted by the State Board of Community Colleges will control how the salary increases for community college employees will be administered.

Part III of the bill states that the policies adopted by the UNC Board of Governors will control how the salary increases for university employees will be administered.

Part IV of the bill provides five days of special annual bonus leave to community college and university employees.

Part V of the bill provides two 0.50% one-time cost-of-living supplements for certain retirees of the Teachers' and State Employees' Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System under Section 5.1. The first one-time cost-of-living supplement is to be paid by December 31, 2019. The second one-time cost-of-living supplement is to be paid between September 1, 2020, and October 31, 2020. The funds for the cost-of-living supplements are appropriated in Section 5.2 of the bill. Section 5.3 updates the State's employer contribution rates budgeted for retirement and related benefits.

Part VI of the bill contains miscellaneous administrative provisions affecting the bill.

EFFECTIVE DATE: The bill is effective July 1, 2019.

Kory Goldsmith
Director



Legislative Drafting
919-733-6660