



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

2019-2020 General Assembly

Committee:		Date:	December 9, 2019
Introduced by:	Reps. Setzer, Howard, Henson	Prepared by:	Theresa Matula
Analysis of:	Ratified		Legislative Analyst

OVERVIEW: House Bill 231 would appropriate funds to provide 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. The content of the bill was consistent with House Bill 966 of the 2019 Regular Session which was vetoed.

This bill was vetoed by the Governor on November 1, 2019, has not been overridden by the General Assembly, and has not become law.

BILL ANALYSIS:

Part I of 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 House Bill 966 which was vetoed.

Part II provides the minimum salaries for nine-month, full-time curriculum community college faculty, states that community college boards of trustees may provide personnel a salary increase pursuant to policies adopted by the State Board of Community Colleges, and requires the State Board to report to the General Assembly on the use of funds by March 1, 2020 and March 1, 2021.

Part III states that the policies adopted by the UNC Board of Governors will control how the salary increases for university employees will be administered and requires the Board of Governors to report to the General Assembly on the compensation increases awarded no later than March 1, 2020 and March 1, 2021.

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

Part V 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 supplements 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 contains miscellaneous administrative provisions affecting the bill.

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EFFECTIVE DATE: This bill has an effective date of July 1, 2019, but it was vetoed by the Governor on November 1, 2019, has not been overridden by the General Assembly, and has not become law.