



SENATE BILL 607: Temporary Solutions Program Changes.

2023-2024 General Assembly

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| Committee: | Senate Rules and Operations of the Senate | Date: | April 19, 2023 |
| Introduced by: | Sens. Alexander, Jarvis, Ford | Prepared by: | Brad Krehely |
| Analysis of: | Second Edition | | Staff Attorney |

OVERVIEW: *Senate Bill 607 would prohibit temporary employees of cabinet agencies and Council of State agencies from being employed for more than 11 consecutive months. To be reinstated after working 11 consecutive months, the temporary employee would be required to be separated for at least 31 consecutive calendar days. The bill would require the Office of State Human Resources (OSHR) to prohibit an agency from hiring new temporary employees if the agency (i) owes an invoice to OSHR that is over 90 days overdue or (ii) has a total overdue invoice amount exceeding \$200,000 for any number of days.*

CURRENT LAW: All Cabinet agencies that utilize temporary employees to perform work that is not information technology-related must employ them through the Temporary Solutions Program administered by OSHR. The Director of OSHR may create a written exception if the exception is in the best interests of the State. Council of State agencies may use the Temporary Solutions Program. G.S. 126-3.3(a).

OSHR must monitor the employment of temporary employees by Cabinet and Council of State agencies and must report biannually to the Joint Legislative Oversight Committee on General Government and to the Fiscal Research Division on agency compliance with these provisions. State agencies granted an exception from using the Temporary Solutions Program, and Council of State agencies choosing not to use the program must record the time worked by each temporary employee, including the number of hours worked per week, number of months worked, and the amount of time the employee was not employed after 11 consecutive months of service with the agency. For temporary employees, agencies must use BEACON or the system that supersedes BEACON for payroll purposes. If it is not feasible for an agency to use BEACON, or the superseding system for payroll purposes, the agency must report the information required by this section to the OSHR. G.S. 126-3.3(b).

BILL ANALYSIS: Senate Bill 607 would contain the following provisions.

Prohibitions

Temporary employees of cabinet agencies and Council of State agencies could not be employed for more than 11 consecutive months. To be reinstated after working 11 consecutive months, the temporary employee would be required to be separated for at least 31 consecutive calendar days.

The act also would require OSHR to prohibit an agency from hiring new temporary employees if the agency (i) owes an invoice to OSHR that is over 90 days overdue or (ii) has a total overdue invoice amount exceeding \$200,000 for any number of days. These requirements would not apply to the North Carolina National Guard.

Exceptions

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578

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The Director of OSHR would be permitted to create exceptions from G.S. 126-6.3(a) when the following conditions are met:

- The Temporary Solutions Program cannot meet the agency's employment needs for a class of temporary job assignments.
- Failure to recruit for the class of temporary job assignments will cause severe harm to the agency's ability to provide vital services to the public.

The following temporary employees would be exempt from G.S. 126-6.3(a1): full time students, retired employees, inmates on work release programs, interns, and externs.

The Director of OSHR would be permitted to create exceptions from G.S. 126-6.3(a1) when the following conditions are met:

- The exception would be in the best interests of the State.
- The exception would not extend the 11-month maximum length of temporary employment beyond 22 months from the initial hire date.

The Director would have discretion to grant exceptions, but could not deny the North Carolina National Guard's exceptions. Exceptions would be required to have a written justification of the exception on file with the Temporary Solutions Program Office.

Cabinet and Council of State Responsibilities

Cabinet and Council of State agencies would be required to send a separation request or notification of the 31-day separation to OSHR before a temporary employee exceeds 11 consecutive months unless an exception applies. Failure to provide timely requests could limit an agency's future use of temporary employees.

OSHR Responsibilities

The OSHR would be required to monitor the employment of temporary employees and provide written notice to the agency 90, 60, and 30 days prior to the employee reaching 11 consecutive months of service. Temporary employees employed beyond 11 consecutive months would be required to be separated from BEACON no more than 2 weeks afterwards unless an exception applies.

Reporting

OSHR would be required to provide a quarterly report to the Joint Legislative Oversight Committee on General Government and the Fiscal Research Division on agency compliance with these provisions. State agencies granted an exception from using the Temporary Solutions Program and Council of State Agencies choosing not to use the program must make monthly reports to OSHR.

EFFECTIVE DATE: The act would be effective when it becomes law, and would apply to temporary employees hired on or after that date.