

AMENDED IN SENATE MARCH 18, 2013

**SENATE BILL**

**No. 216**

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**Introduced by Senator Beall**

February 11, 2013

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An act to ~~amend Section 31451 of~~ *add Section 18006 to the Government Code, relating to county employees' retirement public employment.*

LEGISLATIVE COUNSEL'S DIGEST

SB 216, as amended, Beall. ~~County employees' retirement. Public employment: salary ranges.~~

*Existing law prescribes the duties of the Department of Human Resources, which include the administration of salaries, hours, and other aspects of the state's personnel system. Existing law requires the Department of Human Resources to establish and adjust salary ranges for each class of position in the state civil service, subject to merit limits and except as specified. Existing law requires the salary range to be based on the principle that like salaries be paid for comparable duties and responsibilities.*

*This bill would require the Department of Human Resources to address salary compaction and parity in determining salaries for supervisory and managerial employees. The bill would also require the department, if it determines that revenues do not allow the department to implement a salary determination to increase any excluded and exempt employee salaries in a given year, to provide to the Legislature certain data on the salary determination.*

~~The County Employees Retirement Act of 1937 prescribes the rights, benefits, and duties of members of the retirement systems established pursuant to its provisions.~~

This bill would make technical, nonsubstantive changes to a provision of the County Employees' Retirement law.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. *The Legislature finds and declares the following:*
- 2     (a) *The Department of Human Resources is established in statute*
- 3 *for purposes of managing the nonmerit aspects of the state's*
- 4 *personnel system.*
- 5     (b) *The Department of Human Resources, except as specified,*
- 6 *establishes and adjusts salary ranges for each class of position in*
- 7 *state civil service, subject to specified merit limits.*
- 8     (c) *Salary ranges are based on the principle that like salaries*
- 9 *should be paid for comparable duties and responsibilities.*
- 10    (d) *Salary compaction and parity are significant issues facing*
- 11 *the state in compensating its management team. Salary compaction*
- 12 *occurs when the salaries of subordinate employees approach, and*
- 13 *in some cases exceed, the salary of their supervisors. State policy*
- 14 *is that supervisory and managerial employees receive salaries 10*
- 15 *percent above the pay of the classes supervised.*
- 16    (e) *In performing the salary setting function for excluded and*
- 17 *exempt employees, the Department of Human Resources is*
- 18 *reluctant or unable to recommend appropriate salary increases*
- 19 *for exempt and excluded employees when there is not a legislative*
- 20 *appropriation to pay the increased salaries as the Department of*
- 21 *Human Resources defers to the Department of Finance on these*
- 22 *issues, even though the Department of Finance has no direct role*
- 23 *in establishing or recommending the salaries of excluded*
- 24 *employees.*
- 25    (f) *The intent of this bill is to address salary compaction and*
- 26 *parity concerns for supervisory and managerial employees, and,*
- 27 *if the Department of Human Resources determines that revenues*
- 28 *do not allow it to implement a salary determination to increase*
- 29 *any excluded and exempt employee salaries in a given year, require*
- 30 *the Department of Human Resources to provide certain data on*
- 31 *the salary determination to the Legislature.*
- 32    SEC. 2. *Section 18006 is added to the Government Code, to*
- 33 *read:*

1 18006. (a) *In determining salaries for supervisory and*  
2 *managerial employees, the Department of Human Resources shall*  
3 *address salary compaction and parity concerns, consistent with*  
4 *the principle that a minimum 10 percent supervisory salary*  
5 *differential is appropriate for supervisory and managerial*  
6 *employees above the highest paid subordinate employees over*  
7 *whom the supervisor or manager has authority.*

8 (b) *If the Department of Human Resources determines that*  
9 *revenues do not allow it to implement a salary determination to*  
10 *increase any excluded and exempt employee salaries in a given*  
11 *year, the department shall provide to the Legislature existing data*  
12 *on the salary determination, including all salary compaction and*  
13 *parity determinations for supervisory and managerial employees.*

14 ~~SECTION 1. Section 31451 of the Government Code is~~  
15 ~~amended to read:~~

16 ~~31451. The purpose of this chapter is to recognize a public~~  
17 ~~obligation to county and district employees who become~~  
18 ~~incapacitated by age or long service in public employment and its~~  
19 ~~accompanying physical disabilities, by providing for retirement~~  
20 ~~compensation and death benefit as additional elements of~~  
21 ~~compensation for future services, and to provide a means by which~~  
22 ~~public employees who become incapacitated may be replaced by~~  
23 ~~more capable employees to the betterment of the public service,~~  
24 ~~without prejudice and without inflicting hardship upon the~~  
25 ~~employees removed.~~