

SENATE BILL No. 501

By Committee on Ways and Means

3-8

1 AN ACT concerning state employees; establishing a performance based
2 bonus program.

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4 *Be it enacted by the Legislature of the State of Kansas:*

5 Section 1. (a) The secretary of administration shall establish criteria
6 for a non-discretionary performance based bonus program for state
7 employees. Such program criteria shall ensure that the program contributes
8 to the overall efficient performance of state agencies; ties employee
9 performance to state agency performance; demonstrates a positive return
10 on investment for the state agency; and establishes procedures to monitor
11 the effectiveness of the program.

12 (b) If a state agency determines it is efficient to implement a non-
13 discretionary performance based bonus program, such state agency shall
14 submit the agency's non-discretionary performance based bonus program
15 to an approval committee prior to implementation. The approval
16 committee shall consist of the following members: A staff member of the
17 governor's department, appointed by the governor; the agency head of the
18 state agency submitting the proposed program; the director of the budget;
19 the director of personnel services in the department of administration; and
20 the chairperson of the state civil service board. The committee shall
21 approve or reject the program based on criteria established by the secretary
22 of administration pursuant to subsection (a).

23 (c) ***Any state agency or entity implementing a non-discretionary***
24 ***performance-based bonus program must additionally establish a system***
25 ***to provide for regular and objective employee performance evaluations***
26 ***for all bonus-eligible employees, regardless of classified status. Such***
27 ***employee performance evaluation system must include, but is not limited***
28 ***to, the following elements:***

29 (1) ***Defined, objective measures for reviewing each employee's***
30 ***performance;***

31 (2) ***defined, regular time intervals over which performance will be***
32 ***measured, with no interval shorter than three months nor longer than***
33 ***12 months; and***

34 (3) ***requirements for supervisory personnel to provide regular***
35 ***performance-based feedback throughout the evaluation period.***

36 (d) No bonus paid pursuant to this section during the fiscal year shall

1 be compensation, within the meaning of K.S.A. 74-4901 et seq., and
2 amendments thereto, for any purpose under the Kansas public employees
3 retirement system and shall not be subject to deductions for employee
4 contributions thereunder. Such bonuses are subject to taxes in accordance
5 with federal internal revenue code regulations and shall not be deemed in
6 violation of K.S.A. 46-237a, and amendments thereto. The secretary of
7 administration shall ensure that each program is in compliance with the
8 federal fair labor standards act, 29 U.S.C. § 201 et seq., and shall make
9 any necessary adjustments to the central accounting system and the state
10 payroll system.

11 ~~(d)~~ (e) The secretary of administration shall adopt rules and
12 regulations to implement this section.

13 ~~(e)~~ (f) As used in this section, "state agency" has the meaning
14 ascribed thereto by K.S.A. 75-3701, and amendments thereto, and includes
15 the governor's department, lieutenant governor, attorney general, secretary
16 of state, state treasurer, commissioner of insurance, each agency of the
17 executive branch, the legislature and each agency of the legislative branch,
18 the judicial branch and each agency of the judicial branch and any
19 appointed state council or state commission.

20 Sec. 2. This act shall take effect and be in force from and after its
21 publication in the statute book.