

# State of South Dakota

SEVENTY-THIRD SESSION  
LEGISLATIVE ASSEMBLY, 1998

768B0558

## HOUSE BILL NO. 1326

Introduced by: Representatives de Hueck and Monroe

1 FOR AN ACT ENTITLED, An Act to authorize the Bureau of Personnel to evaluate the  
2 compensation levels of state employees.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. It is the policy of the State of South Dakota that employees of the state should  
5 receive fair and adequate compensation for their work. That end is best achieved under a system  
6 which fairly compensates employees at a rate comparable with the private sector.

7 Section 2. With the purpose of evaluating the compensation levels for the career service and  
8 exempt employees of the executive branch, and making recommendations to the Legislature, the  
9 Bureau of Personnel shall hire an independent consulting firm whose duties shall include:

- 10 (1) Determine a market, comprised of public and private employers, which if surveyed,  
11 would provide reliable, competitive compensation comparisons to the pay practices  
12 of the state;
- 13 (2) Conduct a survey of the public and private employers referred to in subdivision (1)  
14 of this section to determine wages and benefits paid by those employers to their  
15 employees;
- 16 (3) Analyze the survey data;

- 1       (4) Determine the appropriate competitive position of state pay levels relative to the  
2           central tendency of surveyed employer pay levels;
- 3       (5) Conduct other studies as the bureau deems necessary for the contracting firm to  
4           formulate recommendations required by this act;
- 5       (6) By December 31, 1999, prepare and submit a written report to the Legislature  
6           containing the following:
  - 7           (a) A list of public and private employers the contacting firm relied upon for its  
8                compensation comparisons and the factors the contracting firm used to select  
9                the comparable employers;
  - 10           (b) A summary of the contracting firm's findings based on the survey data;
  - 11           (c) Recommendations, based on survey data, of the appropriate competitive  
12               position for the state relative to the compensation practices of comparable  
13               employers;
  - 14           (d) General recommendations regarding the mix of compensation for state  
15               employees, including base salary, benefits, and incentives;
  - 16           (e) Recommendations regarding revisions, modifications, or changes, if any, which  
17               should be made to the compensation practices of the state;
- 18       (7) Unless otherwise directed by the Legislature, the contracting firm may not make  
19           recommendations or conduct studies regarding job classifications, working conditions,  
20           grievance processes, or other noncompensation matters;
- 21       (8) Positions in the judicial branch, legislative branch, the offices of the constitutional  
22           officers, and the career service employees of the Board of Regents may be included  
23           in the study at the request of the Supreme Court, the Executive Board of the  
24           Legislative Research Council, the responsible constitutional officer and the Board of  
25           Regents, respectively.