



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

2019-2020 General Assembly

Committee:	Senate Appropriations/Base Budget	Date:	October 23, 2019
Introduced by:	Reps. Setzer, Howard, Henson	Prepared by:	Committee Staff
Analysis of:	PCS to Second Edition H231-CSLRap-10		

OVERVIEW: Consistent with House Bill 966, the PCS to House Bill 231 appropriate funds to provide legislatively mandated 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.

BILL ANALYSIS: The PCS to House Bill 231 does the following:

Part I of the Proposed Committee Substitute 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 H966.

Part II of the PCS states that the policies adopted by the State Board of Community Colleges will control how the salary increases for community college employees will be administered.

Part III of the PCS states that the policies adopted by the UNC Board of Governors will control how the salary increases for university employees will be administered.

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

Part V of the PCS 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. 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 PCS. Section 5.3 updates the State's employer contribution rates budgeted for retirement and related benefits.

Part VI of the PCS contains miscellaneous administrative provisions affecting the bill.

EFFECTIVE DATE: The PCS is effective July 1, 2019.

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Director



Legislative Drafting
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