

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 2040
6

7 H.P. 1446

House of Representatives, February 20, 1986

8 Submitted by the Department of Personnel pursuant to Joint Rule 24.

9 Reference to the Committee on State Government suggested and ordered
printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Cote of Auburn.

Cosponsored by Representative Descoteaux of Biddeford, Senator Bustin
of Kennebec and Representative Paradis of Augusta.

11
12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-SIX
16

17 AN ACT to Authorize the Payment of Retention
18 and Recruitment Stipends in State
19 Government.
20

21 Be it enacted by the People of the State of Maine as
22 follows:

23 5 MRSA §634, as amended by PL 1977, c. 564,
24 §§§18, 19 and 20, is further amended to read:

25 §634. Compensation plan

26 The commissioner shall, as soon as practicable
27 after the adoption of the classification plan, submit
28 to the Legislature a proposed plan of compensation
29 showing for each class of position in the classified
30 service minimum and maximum salary rates and such in-
31 termediate rates as he deems desirable.

32 When the compensation plan has become effective
33 through its adoption by the Legislature, it shall
34 constitute the official schedule of salaries for all

1 classes of positions in the classified service, ex-
2 cept that if the adoption of a compensation plan re-
3 sults in the reduction of salary of an employee, the
4 Commissioner of Personnel shall certify to the proper
5 fiscal officer of the State that the employee's sala-
6 ry shall not be subject to any reduction for a period
7 of one year from the effective date of adoption of
8 said plan. No position ~~shall~~ may be assigned a sala-
9 ry greater than the maximum or less than the minimum
10 rates fixed in the compensation plan, except as pro-
11 vided in this section. Salaries of persons holding
12 positions in the classified service shall not be ap-
13 proved by paying authorities unless such salaries
14 conform to the adopted compensation plan.

15 1. Recruitment and retention stipends. The com-
16 missioner may approve payment of recruitment and re-
17 retention stipends for occupations in State Government
18 when the payment of the stipends is required to re-
19 cruit and retain an adequate work force. Payment of
20 a recruitment or retention stipend may be authorized
21 only when the following conditions are met:

22 A. High turnover exists within State Government
23 in the relevant occupational classification or
24 job series;

25 B. The relevant occupational classification or
26 job series has a clear, geographically definable
27 labor market within which the State must compete;

28 C. All appropriate recruitment efforts have been
29 tried and have proven ineffective at current pay
30 levels; and

31 D. Comprehensive, verifiable documentation of
32 labor market pay levels exist for the occupation
33 within the defined labor market. Such documenta-
34 tion must show that:

35 (1) The medium average actual salary paid
36 by other employers is at least 10% above the
37 maximum rate fixed in the compensation plan
38 for the comparable State Government classi-
39 fication; and

1 (2) Evidence exists that the labor market
2 difference is long term, not transitory or
3 seasonal.

4 2. Limitations on recruitment and retention sti-
5 pends. The payment of recruitment and retention sti-
6 pends authorized under subsection 1 shall be subject
7 to the following provisions.

8 A. Stipends shall be limited to the minimum
9 amount required to allow the State as an employer
10 to compete in the labor market and shall never
11 exceed an amount equal to that which is required
12 to raise the maximum rate authorized in the com-
13 penensation plan to the median average actual sala-
14 ry paid by competing employers.

15 B. Stipends shall be reviewed no less frequently
16 than once every 2 years and shall be adjusted to
17 changes in the labor market or the overall rela-
18 tion of the standard pay policy to the special-
19 ized labor market.

20 C. Stipends shall not be considered a portion of
21 base pay for the affected classification and
22 shall be paid in addition to the salary fixed in
23 the compensation plan.

24 D. Once established, a stipend shall be paid to
25 all employees in the classification who are em-
26 ployed in the applicable labor market.

27 Salary advancements within an established range
28 shall not be automatic, but shall be dependent upon
29 specific recommendation of the appointing officer and
30 approval of the commissioner. Such recommendation
31 shall be based upon standards of performance as indi-
32 cated by merit ratings or other pertinent data. No
33 advancements in salary ~~shall~~ may be made until the
34 employee has completed the probationary period.

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STATEMENT OF FACT

2 State Government operates under an equal pay pol-
3 icy whereby salaries for all classifications are set
4 through a single job evaluation plan. Occasionally,
5 occupations which are correctly evaluated using the
6 job evaluation plan are not paid at levels sufficient
7 to attract new employees or to retain existing em-
8 ployees because of unusually high salaries paid for
9 these occupations in the competing labor market.
10 This bill provides for the establishment of recruit-
11 ment and retention stipends above and beyond base pay
12 compensation as determined through the job evaluation
13 plan when the stipends are necessary for the proper
14 functioning of State Government. The bill estab-
15 lishes general standards assuring that stipends are
16 paid only when severe recruitment and retention prob-
17 lems are directly linked to labor market disparities.

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