

March 20, 1974

SENATOR CARPENTER: Let's say for example that an agency as I understand the department head will be the..have all the descretion to reward those to the extent of the money available as he sees, and his judgement is final.

SENATOR SIMPSON: Yes. I think first of all what the agency head would have to do would be get a listing of the people that would have supposedly meritorous service or because of longevity or some other reason should be advanced another step. And then he would have to look at the amount available and make priorities among these people. He might not be able to reward everyone that would fall in this catagory.

SENATOR CARPENTER: Well, let's presume that this is going to happen and it will to some unknown extent. Don't you think that somebody ought to be consulted outside of the department head, such as personnel board or somebody who would have some additional judgement. I only say this in main because I know what people being what they are. When you get to the point of giving one a meritorous raise over somebody else you create a lot of confusion and a lot of ill feeling and things of that nature. I'm just trying to get what your committee recommends.

SENATOR SIMPSON: I think that the personnel department would be in on this anyhow. And they would have knowledge of who is receiving it. Also if there are people that were involved that one thought they should have had it, and the other person didn't or shouldn't have, then they would be able through the personnel department, appeal this decision.

SENATOR CARPENTER: Well, why we..why don't we just have the excess go back into the General Fund? I think we are giving these employees a substantial increase. It may or may not be enough. But it seems to me that they give the department the sole jurisdiction of how he is going to distribute the excess if it exists, and it will, is giving too much power to an area of a department head to do so many things that may not be acceptable. It seems to me that the state ought to recover the extent that is unused in the area (inaudible) back into the General Fund and couldn't be spent for anyother purp ose.

PRESIDENT: Senator Simpson, do you want to yield to Senator Stahmer. All right, SENator Stahmer.

SENATOR STAHMER: Mr. President, to try to give Senator Carpenter some additional insight in this. The  $\frac{1}{2}$ % descretionary is to allow some merit increases. If we did not have the  $\frac{1}{2}$ % descretionary there would be no merit increases. There would be no good reason for anyone to try to exert themselves. And the Budget Committee felt that it is good to have some extra money to allow rewards and to encourage people to expend themselves in a meritorous way. The  $\frac{1}{2}$ % sounds insignificant, but if everyone were to be advanced to whole steps, it would take 5%, by utilizing the factor of  $\frac{1}{2}$  as opposed to 5, you actually are allowing 10% of the employees a second step, and in other words if 10...the department head has the descretion of allowing up to 10% of the employees in his department to have that second step for a meritorous service. I think the Budget Committee felt unanimously that it is good to have some leeaway to reward people who extend themselves to work harder and do a better job, otherwise I think you destroying all initiative.