

1 **STATE EMPLOYEE CLASSIFICATION AND**
2 **COMPENSATION REFORM BILL**
3 BILL SPONSOR: Senate
4 Senator John Scott
5 BILL SPONSOR: House of Representatives
6 Representative Gilda Cobb-Hunter
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8

9 **A BILL**

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11 TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA,
12 1976, BY ADDING SECTION 8-15-20 SO AS TO DIRECT THE
13 OFFICE OF HUMAN RESOURCES OF THE DEPARTMENT OF
14 ADMINISTRATION TO IMPLEMENT THE
15 RECOMMENDATIONS OF A STUDY ON THE STATE'S
16 CLASSIFICATION AND COMPENSATION SYSTEM AND TO
17 INCREASE EACH PAY BAND ANNUALLY TO ACCOUNT
18 FOR INFLATION.

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20 Be it enacted by the General Assembly of the State of South
21 Carolina:

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23 Whereas, the general appropriations act for Fiscal Year 2015-2016
24 required the Department of Administration, Human Resources
25 Division to enter into a contract to study the State's current
26 classification and compensation system which has been in place for
27 25 years; and

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29 Whereas, the study's primary recommendation was the redesign of
30 the current classified compensation program based on redefined
31 occupational categories, job families, and distinguishable levels of
32 difference in job content in a career progression; and

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34 Whereas, the study also recommended the creation of classifications
35 which have a stronger linkage between job content and qualification
36 requirement, development of pay structures that are based on the
37 setting of a market policy position, and redesignation of the number
38 of pay bands;/ranges and greater clarity of duties and responsibilities
39 in a classification; and

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2 which have a stronger linkage between job content and qualification
3 requirements, development of pay structures that are based on the
4 setting of a market policy position, and redesignation of the number
5 of pay bands/ranges and greater clarity of duties and responsibilities
6 in a classification; and

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8 Whereas, the study found that the classification work for most pay
9 bands being determined by each agency rather than the Human
10 Resources Division, causes pay inequities amongst the many state
11 agencies even though the employees are doing similar work; and

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13 Whereas, at the time of the study, when viewed in conjunction with
14 a comparison with the market, shows current salaries lagging other
15 states by an average of 15%, lagging the in-state public sector by
16 16% and lagging the in-state private sector market by 18%, meaning
17 the state's pay band midpoints and actual pay is uncompetitive; and

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19 Whereas, the report recommended that the Human Resources
20 Division regularly gather market data, prepare an annual
21 compensation report, develop market based pay ranges, move pay
22 ranges in line with market movement, review and enhance the
23 EPMS, and create a more consistent approach to performance based
24 pay; and

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26 Whereas, the flaws discovered by the study have burdened each
27 state agency by making it increasingly difficult to recruit and retain
28 employees; and

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30 Whereas, the aforementioned recommendations, amongst many
31 others, have yet to be implemented, thus, leaving the State
32 uncompetitive. Now, therefore,

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34 Be it enacted by the General Assembly of the State of South
35 Carolina:

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37 SECTION 1. Chapter 15, Title 8 of the 1976 Code is amended by
38 adding:

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40 "Section 8-15-20. (A) By July 1, 2020, the Office of Human
41 Resources of the Department of Administration must implement the
42 recommendations of a study on the State's classification and

1 compensation system contracted for pursuant to Proviso 93.33 of the
2 annual general appropriations act for Fiscal Year 2015-2016.
3 (B) Beginning July 1, 2020, with the implementation required by
4 subsection (A), and each July first thereafter, the Office of Human
5 Resources of the Department of Administration shall increase each
6 pay band in effect for the previous fiscal year by a percentage equal
7 to the increase in the average of the twelve monthly consumer price
8 indices for the most recent twelve-month period consisting of
9 January through December of the preceding calendar year.”
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11 SECTION 2. This act takes effect upon approval by the Governor.
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