

IN THE SENATE

SENATE BILL NO. 1189

BY FINANCE COMMITTEE

AN ACT

1 APPROPRIATING MONEYS TO THE PUBLIC EMPLOYEE RETIREMENT SYSTEM FOR
 2 FISCAL YEAR 2010; LIMITING THE NUMBER OF FULL-TIME EQUIVALENT
 3 POSITIONS; CLARIFYING THE APPROPRIATION FOR THE PORTFOLIO INVEST-
 4 MENT PROGRAM; PROVIDING LEGISLATIVE INTENT ON PERSONNEL COSTS;
 5 DIRECTING SALARY REDUCTIONS; AND DECLARING AN EMERGENCY.
 6

7 Be It Enacted by the Legislature of the State of Idaho:

8 SECTION 1. There is hereby appropriated to the Public Employee Retirement System
 9 the following amounts to be expended for the designated programs according to the designated
 10 expense classes from the listed funds for the period July 1, 2009, through June 30, 2010:

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDITURES	FOR CAPITAL OUTLAY	TOTAL
11 I. RETIREMENT ADMINISTRATION:				
12 FROM:				
13 PERSI Administrative Fund	\$3,321,800	\$2,938,100	\$102,100	\$6,362,000
14 II. PORTFOLIO INVESTMENT:				
15 FROM:				
16 PERSI Special Fund	\$575,500	\$256,000	\$20,000	\$851,500
17 GRAND TOTAL	\$3,897,300	\$3,194,100	\$122,100	\$7,213,500

18 SECTION 2. In accordance with Section 67-3519, Idaho Code, the Public Employee
 19 Retirement System is authorized no more than sixty-five (65) full-time equivalent positions at
 20 any point during the period July 1, 2009, through June 30, 2010, for the programs specified
 21 in Section 1 of this act, unless specifically authorized by the Governor. The Joint Finance-
 22 Appropriations Committee will be notified promptly of any increased positions so authorized.
 23

24 SECTION 3. Notwithstanding Section 59-1311(4)(d), Idaho Code, moneys appropriated
 25 in Section 1 of this act for the Portfolio Investment Program are for administrative costs of
 26 the Portfolio Investment Program as provided in Section 59-1311(3), Idaho Code. Amounts
 27 necessary to pay all other investment expenses related to the Portfolio Investment Program are
 28 perpetually appropriated to the Public Employee Retirement System Board as provided in Sec-
 29 tion 59-1311(4)(a), (b) and (c), Idaho Code.
 30

31 SECTION 4. LEGISLATIVE INTENT. It is the intent of the Legislature to retain to the
 32 extent possible, our capable, quality employees who support the essential services and statuto-
 33

1 rily authorized programs that the citizens of Idaho expect. The Legislature finds these critical
2 essential services to be those that maintain the health and safety of our citizens and the ed-
3 ucation of our children. While extending flexibility to the Governor and agency directors to
4 manage the state workforce to the best of their ability during these difficult times, it remains the
5 responsibility of the Legislature to identify priorities for the state workforce. The Legislature
6 finds that reductions in personnel funding shall first be managed through salary reductions that
7 impact all personnel fairly; secondly, be mitigated by the use of existing salary savings; thirdly,
8 by using savings created by keeping newly vacated positions unfilled; fourth, by the use of fur-
9 loughs; and lastly, as a last resort, by reducing the workforce. It is the intent of the Legislature
10 that these policies shall be adhered to by the executive, legislative, and judicial branches to the
11 extent allowed by law.

12 SECTION 5. SALARY REDUCTION. Inasmuch as salary reductions will save jobs; and
13 inasmuch as a five percent (5%) reduction in personnel funding may create a reduction in force;
14 and inasmuch as the state as a single employer of multiple departments and agencies is required
15 by law to direct across the board salary adjustments; agencies and institutions shall reduce all
16 salaries of classified and nonclassified employees, regardless of fund source, by three percent
17 (3%) for fiscal year 2010, beginning on June 14, 2009, through June 12, 2010. Agencies shall
18 use personnel cost savings, furloughs, and a reduction in force to manage the remaining two
19 percent (2%) in funding reductions. The Division of Human Resources shall adjust all pay
20 schedules for the classified personnel system downward to the extent that all beginning mini-
21 mum salaries are three percent (3%) less than those in effect upon the date of passage of this
22 law.

23 SECTION 6. An emergency existing therefor, which emergency is hereby declared to
24 exist, Section 5 of this act shall be in full force and effect on and after passage and approval.