

State of Arizona  
Senate  
Forty-sixth Legislature  
Second Regular Session  
2004

CHAPTER 223

# SENATE BILL 1090

AN ACT

ESTABLISHING THE JOINT LEGISLATIVE STUDY COMMITTEE ON STATE EMPLOYEE  
COMPENSATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Joint legislative study committee on state employee  
3 compensation; membership; duties; recommendations

4 A. The joint legislative study committee on state employee  
5 compensation is established consisting of the following members:

6 1. Three members of the house of representatives who are appointed by  
7 the speaker of the house of representatives. No more than two of these  
8 members shall be members of the same political party. The speaker shall  
9 designate one of these members to serve as cochairperson of the committee.

10 2. Three members of the senate who are appointed by the president of  
11 the senate. No more than two of these members shall be members of the same  
12 political party. The president shall designate one of these members to serve  
13 as cochairperson of the committee.

14 3. Four members who are experts on employee compensation. Of these  
15 members, two shall be appointed by the governor, one shall be appointed by  
16 the president of the senate and one shall be appointed by the speaker of the  
17 house of representatives.

18 4. Four members who are employees of this state and who have at least  
19 ten years of state service. Of these members, two shall be appointed by the  
20 governor, one shall be appointed by the president of the senate and one shall  
21 be appointed by the speaker of the house of representatives.

22 5. One member from the university personnel system who is appointed  
23 by the executive director of the board of regents.

24 6. Three members who are state agency directors, deputy directors or  
25 assistant directors and who are appointed by the governor.,

26 7. One member who is a state employee and a member of an employee  
27 association and who is appointed by the governor.

28 B. The committee shall study the various state personnel systems,  
29 state employee compensation and related issues, including salary, benefits,  
30 employee turnover, performance pay based on the performance of the  
31 individual, department and agency and comparisons to other comparable public  
32 and private employers.

33 C. On or before December 1 of each year, the committee shall submit  
34 written recommendations on a long-term strategy for addressing state employee  
35 compensation to the speaker of the house of representatives, president of the  
36 senate, and governor. The committee shall provide a copy of these  
37 recommendations to the secretary of state and the Arizona state library,  
38 archives and public records.

39 D. Members of the committee are not eligible to receive compensation  
40 but are eligible to receive reimbursement for expenses pursuant to title 38,  
41 chapter 4, article 2, Arizona Revised Statutes.

1           Sec. 2. Department of administration; annual salary market  
2                                   analyses; recommendations

3           As part of the annual report and recommendations required pursuant to  
4 sections 41-763.01 and 41-763.02, Arizona Revised Statutes, the department  
5 of administration shall:

- 6           1. Conduct an annual salary market analysis.  
7           2. Make recommendations for the state employee pay raises for  
8 classification salary adjustments relating to the salary market and for merit  
9 pay raises for performance pay increases and the portion of pay that should  
10 be devoted to performance pay. The department of administration shall  
11 consider the recommendations of the joint legislative study committee on  
12 state employee compensation when making recommendations pursuant to this  
13 paragraph.

14           Sec. 3. Legislative intent

15           The legislature intends that:

- 16           1. This act provide a foundation for establishing competitive  
17 compensation for state employees.  
18           2. Competitive compensation be established because the legislature  
19 realizes the value of state employees.

20           Sec. 4. Delayed repeal

21           This act is repealed from and after September 30, 2007.

**APPROVED BY THE GOVERNOR MAY 12, 2004.**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 12, 2004.**

Passed the House April 29, 2004,

by the following vote: 35 Ayes,

16 Nays, 9 Not Voting

Speaker of the House  
Pro Tempore

Asst. Chief Clerk of the House

Passed the Senate March 22, 2004,

by the following vote: 22 Ayes,

8 Nays, 0 Not Voting

President of the Senate

Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR**

This Bill was received by the Governor this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary to the Governor

Approved this \_\_\_\_\_ day of

\_\_\_\_\_, 20\_\_\_\_,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of Arizona

S.B. 1090

**EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE**

This Bill was received by the Secretary of State

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State

SENATE CONCURS IN HOUSE AMENDMENTS  
AND FINAL PASSAGE

Passed the Senate May 6, 2004,

by the following vote: 17 Ayes,

11 Nays, 2 Not Voting

[Signature]  
President of the Senate  
[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

6<sup>th</sup> day of May, 2004

at 2:04 o'clock P. M.

[Signature]  
Secretary to the Governor

Approved this 12 day of

May, 2004,

at 2<sup>40</sup> o'clock P. M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 12 day of May, 2004,

at 4:45 o'clock P. M.

[Signature]  
Secretary of State

S.B. 1090