

CHAPTER 179

GOVERNMENT - STATE

SENATE BILL 99-223

BY SENATOR Wham;
also REPRESENTATIVES Kaufman and Piffner.**AN ACT**

CONCERNING STATE EMPLOYEE PERFORMANCE.

*Be it enacted by the General Assembly of the State of Colorado:***SECTION 1.** 24-50-104 (1) (c), Colorado Revised Statutes, is amended to read:

24-50-104. Job evaluation and compensation. (1) **Total compensation philosophy.** (c) The state personnel director shall develop a performance management, evaluation, and reward system that permits periodic salary increases based on demonstrated performance ~~withholding~~ AND THAT WITHHOLDS such increases for less than satisfactory performance. ~~and the establishment of~~ NOTWITHSTANDING SECTION 24-50-118, THE STATE PERSONNEL DIRECTOR MAY AUTHORIZE STATE AGENCIES TO ESTABLISH A PLAN FOR THE PARTICULAR STATE AGENCY TO IMPLEMENT THE PERFORMANCE MANAGEMENT, EVALUATION, AND REWARD SYSTEM. THE STATE PERSONNEL DIRECTOR SHALL ENCOURAGE STATE AGENCIES TO IMPLEMENT PERFORMANCE EVALUATIONS OF EMPLOYEES THAT ARE AS OBJECTIVE AS POSSIBLE AND THAT, AS SOON AS POSSIBLE AND WHEREVER FEASIBLE, INCLUDE AN ASSESSMENT FROM MULTIPLE SOURCES OF EACH EMPLOYEE'S PERFORMANCE. SUCH SOURCES SHALL INCLUDE, WHERE APPLICABLE, THE EMPLOYEE'S SELF-ASSESSMENT, THE EMPLOYEE'S SUPERIORS, SUBORDINATES, PEERS, AND ANY OTHER APPLICABLE SOURCES OF AN EMPLOYEE'S PERFORMANCE. THE STATE PERSONNEL DIRECTOR SHALL ESTABLISH BY RULE A PROCESS TO RESOLVE EMPLOYEE DISPUTES RELATED TO PERFORMANCE EVALUATIONS THAT DO NOT RESULT IN CORRECTIVE OR DISCIPLINARY ACTION AGAINST THE EMPLOYEE. EACH SUCH PLAN OF A STATE AGENCY SHALL BE SUBJECT TO THE DIRECTOR'S APPROVAL. THE STATE PERSONNEL DIRECTOR SHALL ALSO ESTABLISH a job rate for all classes in each occupational group, except the medical occupational group, the senior executive service, and any group where job rate is inapplicable as determined by the state

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

personnel director. ~~Movement within a pay grade~~ ANNUAL PERFORMANCE PAY INCREASES shall be based on satisfactory or better performance. Once an employee reaches the job rate, which shall be an amount established by the annual total compensation survey, the employee shall be eligible only for nonbase-building performance awards rather than base salary adjustments. Except as provided in paragraph (d) of subsection (5) of this section, salaries may be increased or left unchanged subject to available appropriations for the performance management, evaluation, and reward system; except that no annual increase shall be guaranteed. Each agency shall establish an effective date for its performance awards based on the agency's business needs and available appropriations so long as the agency's appropriation requests related to such performance awards for the next fiscal year are no greater than the agency would have requested before establishing the effective date.

SECTION 2. 24-50-123, Colorado Revised Statutes, is amended to read:

24-50-123. Grievances - review. The board shall, by rule, adopt a uniform grievance ~~procedure~~ PROCEDURES to be used by all principal departments and agencies for employees in the state personnel system. The grievance ~~procedure~~ PROCEDURES shall provide an orderly system of review for all grievances ~~except those~~ AND SHALL DEFINE MATTERS THAT ARE SUBJECT TO SUCH GRIEVANCE PROCEDURES. MATTERS arising under ~~section~~ SECTIONS 24-50-125 AND 24-50-104 (1) (c) SHALL NOT BE SUBJECT TO A GRIEVANCE PROCEDURE UNDER THIS SECTION. The decision of the appointing authority shall be final; except that the board may review the decision of the appointing authority and, upon such review, shall uphold the decision unless the board finds that the decision was made arbitrarily or capriciously.

SECTION 3. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: May 17, 1999