## SESSION OF 2015

## SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2391

As Amended by House Committee of the Whole

## **Brief\***

HB 2391, as amended, would revise the Kansas Civil Service Act. To the existing list of unclassified positions specified the Act, the bill would add persons in newly hired positions, including any employee who is rehired into a position and any current employee who voluntarily transfers, or is voluntarily promoted or demoted, into an unclassified position.

The following state agencies (including divisions or programs specified by the bill) would be authorized to convert vacant classified positions into unclassified positions: the Board of Indigents' Defense Services; Department of Wildlife, Parks and Tourism; Department of Labor (Workers Compensation Division); Adjutant General (Emergency Management): Kansas Department of Health Environment; Real Estate Appraisal Board; Board of Healing Medical Emergency Services Board: Kansas Arts: Commission on Veterans Affairs Office (Veterans Claims Assistance Program); Kansas Department of Agriculture (Division of Water Resources and State Entomological Commission); State Corporation Commission; Board of Nursing; State Board of Mortuary Arts; Board of Barbering; Board of Tax Appeals; State Board of Cosmetology; Kansas Sports Hall of Fame; Department of Commerce (Creative Arts Industries Commission); Commission on Disability Concerns; Kansas Department for Children and Families (State Economic Opportunity Office and Drug Abuse Treatment and Prevention); State Board of Technical Professions; Behavioral Sciences Regulatory Board; State Lottery; Racing and

<sup>\*</sup>Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

Gaming Commission; Department of Administration (Architectural Services and Long-term Care Ombudsman); State Library; State Historical Society; Pooled Money Investment Board; Department of Transportation; Department of Revenue; Kansas Department for Aging and Disability Services (Mental Health and Developmental Disability Institutions): Department of Corrections (Juvenile Corrections): Kansas State School for the Deaf: and the Kansas State School for the Blind.

If federal law requires a state agency to maintain personnel standards on a merit basis and that agency has converted classified positions to unclassified positions, the state agency would be required to adopt a binding statement of agency policy to meet the federal requirements.

Civil Service Examination Monitors would be recategorized as classified positions.

## **Background**

During the House Committee hearing, the Adjutant General and the secretaries of Administration, Agriculture, Labor, Transportation, Children and Families, Commerce, Revenue, and Aging and Disability Services provided testimony in favor of the bill. Proponents stated the bill would permit the State to align its human resource policies with those of the private sector. State agencies would be allowed greater flexibility to improve hiring practices and fill critical vacancies when qualified candidates are found. Proponents also stated restricting the use of the Shared Leave Program to a life-threatening medical condition of a state employee, or the employee's family member, would be a return to the original intent of the program. By requiring longevity bonuses to be contingent upon specific legislative appropriation, agencies would not be required to self-fund the bonuses at the expense of other priorities.

Several individual state employees and representatives of the State Employees Association of Kansas and the Kansas Organization of State Employees spoke in opposition to the bill. Opponents stated the Civil Service System provides provides protections for employees and the State against unnecessary litigation. Opponents suggested a greater reliance on unclassified employees could cause institutional, organizational knowledge to erode, making policy implementation more difficult in the future. Noting several federal programs and agencies mandate a merit system of personnel management, opponents expressed concern that by granting discretionary authority for agencies to adopt binding statements of agency policy, the State could jeopardize funding for federal programs such as food assistance. Medicaid, or Unemployment Insurance. Opponents noted, under current law, only employees hired prior to June 15, 2008, may receive longevity bonuses. Opponents also noted that in 2014, 88 requests for shared leave were granted, and 93 requests were denied.

The House Committee on Commerce, Labor and Economic Development deleted sections 2 and 3 of the introduced bill, which pertained to longevity and shared leave, respectively.

The House Committee of the Whole amended the bill to require state agencies to adopt binding statements of agency policy if classified positions associated with federally funded programs are changed to unclassified positions. The previous version of the bill would have granted discretionary authority to state agencies.

According to the fiscal note prepared by the Division of the Budget, in consultation with the Department of Administration, the bill, as introduced, would have a fiscal effect on most state agencies, since unclassified positions usually receive greater pay than classified positions. However, staffing efficiencies would provide for increases in compensation. State agencies would realize savings if the Legislature chose not to provide specific funding for longevity.