Lawmakers Passed Many State Employe Pay And Benefit Bills; Here is a Summary

Editor's Note: The 1973 legislature passed many bills affecting state employes. Probably the most important legislative action taken for employes by lawmakers came when they appropriated funds necessary to implement the $50 million pay and fringe benefits package negotiated earlier this year by OSEA and the Executive Department. That package was adopted with only minor changes. In addition, the legislature passed many bills affecting the state's work force that were not a part of the package. Following is a summary of the most important legislation that passed or did not pass the 1973 legislature:

Classified Pay

Classified employes got pay raises averaging 6.24 per cent on July 1. Following is a break down of the actual percentage increases and the job classifications granted those increases:

- A $30 a month pay raise for all employes in job classifications which are paid within the first seven salary ranges. Percentage amount of the increase ranges from 9.8 per cent for employes at the first step of pay range one to 5.7 per cent for employes at the top step of pay range seven. Included are some 5,000 employes in the following classifications:

Clerk 1 and 1T, clerk 2 and 2T, secretary 1 and 1S, secretary 2 and 2S, calculating machine operator 1, bookkeeping machine operator 1 and 2, PBX operator 1, key punch operator trainee, key punch operator 1, ADP operator trainee, tab machine operator trainee, tab machine operator 1, ticket seller, tourist guide 1, traffic survey interviewer A and B, clerical homeworker, music aide, education project aide 1, pianist, television broadcast assistant, winch operator, seaman, marine wiper, industrial worker, photocopyist 1, domestic worker 1, 2 and 3, institution worker 1 and 2, seamstress 1 and 2, residential housekeeper, custodial worker, ships messman, cook 1, laundry worker 1 and 2, watchman, animal caretaker 1, x-ray technician 1, laboratory aide, laboratory assistant 1 and 2, dental assistant, office trainee, welfare aide 1, students housemother 1, homemaker, human resources aide 1, farm helper, seed analyst aide, seed analyst 1, seed certification assistant, forest lookout, forest fire dispatcher and conservation aide.

- A one-half of one per cent increase for about 40 employes in the following classifications:

Metrology supervisor, building trades helper, correctional counselor 4 and state veterinarian.

- A 4.06 per cent increase for approximately 785 employes in the following classifications:

Secretary 5, business manager 1, 2 and 3, assistant superintendent of business services, accounting analyst 1, 2 and 3, motor vehicles assistant controller, administrator of administrative services (Revenue), assistant liquor commission controller, fiscal officer 1, 2 and 3, budget officer 1 and 2, computer supervisor 2, programmer trainee, appraisal engineer 3 and 4, draftsman aide, draftsman 1, 2, 3 and 4 (cartographic), draftsman 1, 2 and 3 (architectural), maintenance repairman 1 and 2, maintenance foreman, offset printer 1, 2 and 3 and practical nurse 1 and 2.

- A 9.06 per cent increase for some 110 employes in the following classifications:

Program supervisor, systems supervisor, purchasing analyst 1, 2 and 3, supervising purchasing analyst, programmer and senior programmer.

- A 10.5 per cent increase for approximately 2,300 employes in the following classifications:

Bank examiner 1, 2 and 3, assistant superintendent of banks, transportation specialist 1, programmer analyst, software specialist, systems analyst, systems specialist, ADP manager 1 and 2, director of data processing, manager ADP planning and education, manager ADP standards and hardware evaluation, right of way agent 1 and 2, mediator, hearings referee 1 and 2, hearings referee supervisor, safety representative 1, 2, 3 and 4, investigator 1 and 2, weighmaster 1, 2 and 3, assistant chief weighmaster, chief weighmaster, boiler inspector, boiler safety supervisor 1 and 2, plumbing inspector 1 and 2, liquor control officer 1, 2 and 3, elevator inspector, electrical inspector, electric elevator safety inspector 1 and 2, electric elevator safety supervisor 1 and 2, archivist 2, state archivist, librarian 2, 3, 4 and 5, librarian administrator, education program specialist 2, coordinator of professional education mental retardation, radio technician 2, scientific instrument technician 1 and 2, chemistry storekeeper 1, 2 and 3, meteorologist, painter, mason, plasterer, sheet metal worker, locksmith, carpenter, cabinet maker, elevator repairman, electrician, lead electrician, electrical foreman 1, plumber, plumber foreman 1, refrigeration mechanic, welder, stationary fireman, stationary engineer, machinist, machinist foreman, public health nurse 1, 2, 3, 4 and 5, nursing education and license consultant, hospital technician, institution hospital manager, anesthetist, nursing instructor 1, 2, 3 and 4, director of nursing education, public health dentist 2 (licensed), health facilities surveyor 1, 2 and 3, police standard coordinator, grain inspection supervisor, livestock police officer, livestock district supervisor, park manager 2 and 3, assistant district park supervisor, district park supervisor, park operations supervisor, forester 4, gamekeeper 2 and wild life conservation supervisor.

- A 15.5 per cent increase for some 17 employes in the following classifications:

Transportation specialist 3, utility auditor 3 and utility engineer 3.

- A 5.5 per cent increase for all other state employes who work in collective bargaining units represented by OSEA. That number totals about 18,000 employes in 850 classifications.

Exceptions to the 5.5 per cent increase: x-ray technician 1 (registered) was placed at the top four steps of salary range 13, nurses aide was placed in salary range 2, and teachers' salary increases were equated to those granted by Salem School District 24-J.

The salary plan outlined above, which was approved and funded by the legislature, was negotiated by OSEA and the Executive Department and is contained in a contract between the two parties. (Note: percentages are approximate to assure all classifications are paid on the new salary steps.)

Academic Pay

Academic employes who work at Oregon's three major universities, medical, dental and nursing schools, and four regional colleges received pay increases averaging slightly more than 5 per cent on July 1.

They are scheduled to get the same amount in the second year of the biennium.

Pay raises of more than 5 per cent may be granted to academic employes. However, increases exceeding that amount must be approved by the State Board of Higher Education and reported to the Emergency Board.

Mid-Biennium Pay

A sum of money equal to 5.5 per cent of the state's payroll was earmarked for classified state employe compensation on July 1, 1974 and appropriated to the Emergency Board.

Amount of the mid-biennium fund was negotiated by OSEA and the Executive Department. The contract between the parties calls for expenditure of the money to be the subject of negotiations. Those talks will begin early in 1974.

Most of the money is expected to be used for pay raises. However, "other payroll expenses" must come out of the fund. OPE is made up of various payroll expenses such as social security, workmen's compensation, and state and federal unemployment compensation.

Salary Administration

A new salary administration program for state employes is set forth in the OSEA-Executive Department contract. With exception of an incentive award plan, the legislature approved the program as negotiated.

Under the new program, all employes will be granted annual performance (merit) pay raises on their eligibility date provided they are not at the top of their salary range and provided their job performance is "satisfactory."

The OSEA-Executive Department contract says performance will be deemed satisfactory when an employe's performance appraisal indicates he or she "meets or exceeds all major requirements (Categories A and B)." An employe rated in Category C will get an increase "unless his or her needed improvements are major in nature when related to the work plan and-or position description."

Employe job performance will be measured using all of the following criteria: (1) classification specifications, (2) individual position descriptions and (3) written work plans.

Work plans must be based upon an employe's position description and must be developed jointly by employes and their supervisors. Each work plan "shall delineate job requirements, job expectations, anticipated goals, set objectives and productivity expectations," the contract says.

The document also provides an automatic pay raise for trial service employes who attain regular status. In addition, it prohibits any limitation upon the number of annual performance (merit) pay increases that may be granted.

The incentive award plan negotiated by OSEA and the Executive Department was not approved by the legislature. It would have allowed 10 per cent of the employes in an agency to be granted a lump sum bonus equal to 3 per cent of their annual salary.

The state's new salary administration program became effective July 1.

Health Insurance

The state's contribution to employe health insurance was raised $5 a month—from $10 to $15—effective July 1.

The increased medical-hospital-surgical insurance contribution was negotiated by OSEA and the Executive Department and approved by the legislature.

If the monthly contribution of $15 exceeds an employe's premium, the OSEA-Executive Department contract says the excess may be applied to dependent coverage.

Sick Leave Pay

State employes will be paid for one-half their accrued sick leave in the form of an increased pension effective July 1.

Employes who retire, die, or become disabled are eligible for the benefit. Employes who terminate will be eligible only if they leave their annuity account with the Public Employes' Retirement System until earliest retirement age.

The contract negotiated by OSEA and the Executive Department called for employes to be paid for all of their accrued sick leave. That amount was cut in half by the legislature, however.

The following example was prepared to illustrate how payment of sick leave will be computed:

(1) An employe with 950 hours of accumulated sick leave retires at age 65 after 20 years of service under the non-refund annuity plan (Option No. 1).

(2) His three highest years of salary (out of the last ten years of employment) for pension computation are $8,300, $8,900 and $9,800 for a total of $27,000. His average monthly salary for those three years is $750 ($27,000 divided by 36 months). Since there are 173.3 working hours in a month, his hourly pay amounts to $4.33 an hour ($750 divided by 173.3).

(3) He will be paid for 475 hours of sick leave (one-half of 950). The monetary value of those hours is $2,056.75 (475 hours multiplied by $4.33 an hour). That amount is added to his three highest years of salary for a new total of $29,056 ($27,000 plus $2,056).

(4) Pensions are computed by the following formula: final average salary multiplied by 1.00 multiplied by years of service. His final average salary for pension computation is $9,685 ($29,056 divided by 3 years).

(5) Using that formula ($9,685 x 1.00 x 20), his pension amounts to $1,937 a year, or $161.41 a month.

(6) If the accrued sick leave was not added, his final average salary would drop to $9,000 ($27,000 divided by 3 years). That, in turn, would decrease his pension ($9,000 x 1.00 x 20) to $1,800 a year, or $150 a month.

(7) In the example above, payment for accrued sick leave would increase the employe's pension by $137 a year, or $11.41 a month, for the rest of his life. In addition, the employe would receive the employer portion of the pension and social security payments.

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