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## SENATE JOINT RESOLUTION NO. 247

Offered January 11, 2017

Prefiled December 31, 2016

*Directing the Joint Legislative Audit and Review Commission to study total compensation to employees of the Commonwealth. Report.*

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 Patron—Ruff
 

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 Referred to Committee on Rules
 

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WHEREAS, the Commonwealth has funded statewide base pay increases only three times since 2007; and

WHEREAS, the three percent performance increase scheduled for 2016 was canceled due to revenue shortfall; and

WHEREAS, state salaries are lower than salaries for comparable positions in the private sector by an average of 21.20 percent; and

WHEREAS, state employee wages have been lower than all other sectors since 2003; and

WHEREAS; in 2015 the Commonwealth ranked 32nd among all states in pay to state employees; and

WHEREAS, the workforce of the Commonwealth has experienced turnover rates of 11.1 percent, 13.15 percent, and 14.1 percent in fiscal years 2014, 2015, and 2016, respectively; and

WHEREAS, employees of the Commonwealth receive a variety of forms of noncash compensation, including retirement contributions, health insurance premiums, group life insurance, disability benefits, and paid leave; and

WHEREAS, noncash compensation for employees of the Commonwealth has constituted, as a percentage of total compensation, 48.4 percent, 44.5 percent, and 44.0 percent for fiscal years 2014, 2015, and 2016, respectively; and

WHEREAS, the Joint Legislative Audit and Review Commission (JLARC) reviewed state employee salaries and benefits in 2008 and 2011, but issues related to total compensation, such as the adoption of the hybrid retirement plan, have continued to evolve; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Joint Legislative Audit and Review Commission be directed to study total compensation to employees of the Commonwealth. In conducting its study, JLARC shall determine the total value of all forms of compensation provided to state employees, including cash compensation and the value of health care, retirement, leave, and other flexible benefits. The Joint Legislative Audit and Review Commission shall also (i) compare the total compensation provided by state agencies with the compensation provided by other large employers that seek to recruit and retain employees with the same skills and competencies; (ii) research how best to recruit, retain, motivate, and facilitate the work-life balance of state employees; (iii) identify cost-effective approaches that could be used to ensure that state agencies are able to employ an effective workforce; and (iv) research any other issues and make recommendations as appropriate. The Joint Legislative Audit and Review Commission shall procure the services of consultants to conduct its study.

Technical assistance shall be provided to JLARC by the Department of Human Resource Management. All agencies of the Commonwealth shall provide assistance to JLARC for this study, upon request.

The Joint Legislative Audit and Review Commission shall complete its meetings by October 31, 2017, and the chairman shall submit to the chairman of the Commission on Employee Retirement Security and Pension Reform an executive summary of its findings and recommendations no later than November 30, 2017. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

INTRODUCED

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