

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001

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SENATE BILL 993

Short Title: Amend Salary Reserve.

(Public)

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Sponsors: Senator Rand.

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Referred to: Appropriations/Base Budget.

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April 5, 2001

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LAW REGARDING SALARY RESERVE REVISIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 1 of Chapter 143 of the General Statutes is amended by adding a new section to read:

**"§ 143-23.3. Salary reserve revisions.**

(a) The following definitions apply in this section:

(1) Salary reserve. — The dollar amount created when a position is downgraded or filled at a salary amount less than the amount at which it was previously budgeted (exclusive of hiring rate).

(2) Multiple individual position classifications.—Three or more individual position classifications.

(b) Notwithstanding any other provision of law, any proposed employee salary increases to be funded from salary reserves as defined under this section, within any individual State agency as categorized under G.S. 143-28, that may cause either: (i) a salary increase for all positions in a single position classification, or (ii) intraagency-wide salary increases across multiple individual position classifications, shall not be granted until the Director of the Budget has first consulted with the Joint Legislative Commission on Governmental Operations. The requirements of this subsection shall not apply to proposed employee salary increases to be funded out of salary reserves for faculty positions at the constituent institutions of The University of North Carolina System.

(c) Salary reserve may be used only for the following:

(1) To increase the salary of other positions due to promotion or reclassification.

(2) To fill a position at a salary higher than that at which the position was vacated.

1           (3)    To create a new position provided the position is first approved by an  
2                    act of the General Assembly.

3           (d)    Salary reserve may be transferred only to permanent salary lines of like  
4 funding source (i.e. general fund, receipts, or highway fund)."

5           **SECTION 2.** This act is effective when it becomes law.