S.L. 2018-5 AND OTHER LEGISLATIVE BUDGETARY HIGHLIGHTS

Salaries and Benefits Highlights

The Conference Report provides net appropriations of $267 million for additional salaries and benefits and related items. Highlights of the Conference Committee and other legislative actions follow below:

Provides $256 million in net General Fund appropriations as follows:
  o $12.0 million in FY 2018-19 to increase the Principal salary schedule.
  o $22.9 million in FY 2018-19 to Continue Teacher Bonuses for 4th-5th grade reading and 4th-8th grade math, at $2,000 per bonus, that were funded on a nonrecurring basis in SL 2017-57.
  o $12.4 million in FY 2018-19 to increase the ‘A’ schedule for Teachers with 25+ years of experience to $52,000. The $385 bonuses established in SL 2017-57 will be eliminated for FY 2018-19, reducing appropriations by $5.0 million.
  o $72.5 million in FY 2018-19 to provide most State employees and State-funded local employees a salary increase of 2%.
  o $20.0 million in FY 2018-19 to provide salary increases at UNC. The Board of Governors will have flexibility in allocating these funds.
  o $24.1 million in FY 2018-19 to provide salary increases at Community Colleges. The State Board will have flexibility in allocating these funds.
  o $15.3 million in FY 2018-19 to increase salaries for all permanent employees at State agencies and UNC to at least $31,200 per year.
  o $27.0 million in FY 2018-19 to provide correctional personnel based in State adult correctional facilities a 4% increase.
  o $7.2 million to create a new salary plan for Highway Patrol Troopers that brings beginning Trooper pay to $44,000 and top Trooper pay to over $64,000. The new plan also accelerates the timeframe to get to top pay, shortening the timeframe to 6 years.
  o $33.5 million (nonrecurring) in FY 2018-19 to provide a 1.0% one-time Cost-of-Living Supplement to State Retirees.
  o $12.0 million in FY 2018-19 to increase retirement systems contributions to the actuarially determined level.
  o $2.3 million in FY 2018-19 to extend the Line-of-Duty Death Benefit to noncustodial employees killed by inmates and double the benefit amount from $50,000 to $100,000, retroactive to April 1, 2017.

Adjustments to Appropriations: Salaries

- **(Item 1, Page B 5)** Provides $11,831,640 to increase the ‘A’ schedule for teachers with 25+ years of experience to $52,000. The $385 bonuses established in SL 2017-57 will be eliminated for FY 2018-19, reducing appropriations by $5.0 million.
- **(Item 2, Page B 5)** Provides $12,000,000 to increase the principal salary schedule.
• (Item 4, Page B 5) Provides $22,900,000 to continue teacher bonuses for 4th-5th grade reading and 4th-8th grade math, at $2,000 per bonus, that were funded on a nonrecurring basis in SL 2017-57.

• (Item 5, Page B 5) Provides $28,191,221 to provide noncertified staff in Local Education Agencies a salary increase of 2%.

• (Item 65, Page B 20) – Provides $24,126,767 for salary increases at community colleges. The State Board will have flexibility in allocating these funds.

• (Item 96, Page B 31) – Provides $20,000,000 for salary increases at UNC. The Board of Governors will have flexibility in allocating these funds.

• (Item 2, Page E 7 as amended by S.L. 2018-76, Sec. 3.1) – Provides $27,044,624 to provide corrections officers and related personnel a salary increase of 4%.

• (Item 3, Page E 7) – Provides $7,200,000 to create a new salary plan for Highway Patrol Troopers that brings beginning Trooper pay to $44,000 and top Trooper pay to over $64,000. The new plan also accelerates the timeframe to get to top pay, shortening the timeframe to 6 years.

• (Item 1, Page I 4) – Provides $15,300,000 to increase salaries for all permanent employees at State agencies and UNC to at least $31,200 per year.

Special Provisions: Salaries

• (Sec. 35.25, Page 200 as amended by S.L. 2018-97, Sec. 8.1) Directs the Department of Public Safety to establish a new pay schedule for State Highway Patrol Troopers that brings beginning Trooper pay to $44,000 and top Trooper pay to over $64,000. The new plan also accelerates the timeframe to get to top pay, shortening the timeframe to 6 years. This section also authorizes the State to require reimbursement of training costs of up to $36,000 per cadet if a Trooper separates from the State Highway Patrol after serving less than 36 months.

Adjustments to Appropriations: Benefits

• (Item 14, Page F 11) – Provides $2,250,000 to extend the line-of-duty death benefit to noncustodial employees killed by inmates and double the benefit amount from $50,000 to $100,000, retroactive to April 1, 2017.

Special Provisions: Benefits

• (Sec. 35.26, Page 202) Grants 5 non-expiring bonus leave days that cannot be cashed out or converted to sick leave and thus do not impact the retirement system.

• (Sec. 35.28, Page 203) Provides a 1.0% one-time cost-of-living supplement to State retirees.