

1 AN ACT relating to state employees.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 18A.110 (Effective April 1, 2023) is amended to read as
4 follows:

- 5 (1) The secretary shall promulgate comprehensive administrative regulations for the
6 classified service governing:
- 7 (a) Applications and examinations;
 - 8 (b) Certification and selection of eligibles;
 - 9 (c) Classification and compensation plans;
 - 10 (d) Incentive programs;
 - 11 (e) Lay-offs;
 - 12 (f) Registers;
 - 13 (g) Types of appointments;
 - 14 (h) Attendance; hours of work; compensatory time; annual, court, military, sick,
15 voting, living organ donor, and special leaves of absence, provided that the
16 secretary shall not promulgate administrative regulations that would reduce
17 the rate at which employees may accumulate leave time below the rate
18 effective on December 10, 1985; and
 - 19 (i) Employee evaluations.
- 20 (2) The secretary shall promulgate comprehensive administrative regulations for the
21 unclassified service.
- 22 (3) (a) Except as provided by KRS 18A.355, the secretary shall not promulgate
23 administrative regulations that would reduce an employee's salary; and
- 24 (b) As provided by KRS 18A.0751(4)(e), the secretary may submit a proposed
25 administrative regulation providing for an initial probationary period in excess
26 of six (6) months to the board for its approval.
- 27 (4) The secretary may promulgate administrative regulations to implement state

- 1 government's affirmative action plan under KRS 18A.138.
- 2 (5) (a) The administrative regulations shall comply with the provisions of this
3 chapter and KRS Chapter 13A, and shall have the force and effect of law after
4 compliance with the provisions of KRS Chapters 13A and 18A and the
5 procedures adopted thereunder;
- 6 (b) Administrative regulations promulgated by the secretary shall not expand or
7 restrict rights granted to, or duties imposed upon, employees and
8 administrative bodies by the provisions of this chapter; and
- 9 (c) No administrative body other than the Personnel Cabinet shall promulgate
10 administrative regulations governing the subject matters specified in this
11 section.
- 12 (6) Prior to filing an administrative regulation with the Legislative Research
13 Commission, the secretary shall submit the administrative regulation to the board
14 for review.
- 15 (a) The board shall review the administrative regulation proposed by the secretary
16 not less than twenty (20) days after its submission to it;
- 17 (b) Not less than five (5) days after its review, the board shall submit its
18 recommendations in writing to the secretary;
- 19 (c) The secretary shall review the recommendations of the board and may revise
20 the proposed administrative regulation if he or she deems it necessary; and
- 21 (d) After the secretary has completed the review provided for in this section, he
22 or she may file the proposed administrative regulation with the Legislative
23 Research Commission pursuant to the provisions of KRS Chapter 13A.
- 24 (7) The administrative regulations shall provide:
- 25 (a) For the preparation, maintenance, and revision of a position classification plan
26 for all positions in the classified service, based upon similarity of duties
27 performed and responsibilities assumed, so that the same qualifications may

1 reasonably be required for, and the same schedule of pay may be equitably
2 applied to, all positions in the same class. The secretary shall allocate the
3 position of every employee in the classified service to one (1) of the classes in
4 the plan. The secretary shall reallocate existing positions, after consultation
5 with appointing authorities, when it is determined that they are incorrectly
6 allocated, and there has been no substantial change in duties from those in
7 effect when such positions were last classified. The occupant of a position
8 being reallocated shall continue to serve in the reallocated position with no
9 reduction in salary;

10 (b) For a pay plan for all employees in the classified service, after consultation
11 with appointing authorities and the state budget director. The plan shall take
12 into account such factors as:

- 13 1. The relative levels of duties and responsibilities of various classes of
14 positions;
- 15 2. Rates paid for comparable positions elsewhere taking into consideration
16 the effect of seniority on such rates; and
- 17 3. The state's financial resources.

18 Amendments to the pay plan shall be made in the same manner. Each
19 employee shall be paid at one (1) of the rates set forth in the pay plan for the
20 class of position in which he or she is employed, provided that the full
21 amount of the annual increment provided for by the provisions of KRS
22 18A.355, and the full amount of an increment due to a promotion, salary
23 adjustment, reclassification, or reallocation, shall be added to an employee's
24 base salary or wages;

25 (c) For open competitive examinations to test the relative fitness of applicants for
26 the respective positions. The examinations shall be announced publicly and
27 applications accepted at least ten (10) days prior to certification of a register,

1 and may be advertised through the press, radio, and other media. The
2 secretary shall continue to receive applications and examine candidates on a
3 continuous basis long enough to assure a sufficient number of eligibles to
4 meet the needs of the service. Except as provided by this chapter, he or she
5 shall add the names of successful candidates to existing eligible lists in
6 accordance with their respective ratings. The secretary shall be free to use any
7 investigation of education and experience and any test of capacity,
8 knowledge, manual skill, character, personal traits, or physical fitness, which
9 in his judgment, serves the need to discover the relative fitness of applicants;

10 (d) As provided by this chapter, for the establishment of eligible lists for
11 appointment, upon which lists shall be placed the names of successful
12 candidates in the order of their relative excellence in the respective
13 examinations. Except as provided by this chapter, an eligible's score shall
14 expire automatically one (1) year from the date of testing, unless the life of
15 the score is extended by action of the secretary for a period not to exceed one
16 (1) additional year. Except for those individuals exercising reemployment
17 rights, all eligibles may be removed from the register when a new
18 examination is established;

19 (e) For the rejection of candidates or eligibles who fail to comply with reasonable
20 requirements of the secretary in regard to such factors as age, physical
21 condition, training, and experience, or who have attempted any deception or
22 fraud in connection with an examination;

23 (f) Except as provided by this chapter, for the appointment of a person whose
24 score is included in the five (5) highest scores earned on the examination;

25 (g) For annual, sick, and special leaves of absence, with or without pay, or
26 reduced pay, after approval by the Governor as provided by KRS
27 18A.155(1)(d);

- 1 (h) For lay-offs, in accordance with the provisions of KRS 18A.113, 18A.1131,
2 and 18A.1132, by reasons of lack of work, abolishment of a position, a
3 material change in duties or organization, or a lack of funds;
- 4 (i) For the development and operation of programs to improve the work
5 effectiveness of employees in the state service, including training, whether in-
6 service or compensated educational leave, safety, health, welfare, counseling,
7 recreation, employee relations, and employee mobility without written
8 examination;
- 9 (j) For a uniform system of annual employee evaluation for classified employees,
10 with status, that shall be considered in determining eligibility for discretionary
11 salary advancements, promotions, and disciplinary actions. The administrative
12 regulations shall:
- 13 1. Require the secretary to determine the appropriate number of job
14 categories to be evaluated and a method for rating each category;
 - 15 2. Provide for periodic informal reviews during the evaluation period
16 which shall be documented on the evaluation form and pertinent
17 comments by either the employee or supervisor may be included;
 - 18 3. Establish a procedure for internal dispute resolution with respect to the
19 final evaluation rating;
 - 20 4. Permit a classified employee, with status, who receives either of the two
21 (2) lowest possible evaluation ratings to appeal to the Personnel Board
22 for review after exhausting the internal dispute resolution procedure.
23 The final evaluation shall not include supervisor comments on ratings
24 other than the lowest two (2) ratings;
 - 25 5. Require that an employee who receives the highest possible rating shall
26 receive the equivalent of two (2) workdays, not to exceed sixteen (16)
27 hours, credited to his or her annual leave balance. An employee who

- 1 receives the second highest possible rating shall receive the equivalent
2 of one (1) workday, not to exceed eight (8) hours, credited to his or her
3 annual leave balance; and
- 4 6. Require that an employee who receives the lowest possible evaluation
5 rating shall either be demoted to a position commensurate with the
6 employee's skills and abilities or be terminated;~~and~~
- 7 (k) *For the ability of classified and unclassified employees to telework at the*
8 *secretary's discretion; and*
- 9 (l) For other administrative regulations not inconsistent with this chapter and
10 KRS Chapter 13A, as may be proper and necessary for its enforcement.
- 11 (8) For any individual hired or elected to office before January 1, 2015, and paid
12 through the Kentucky Human Resources Information System, the Personnel
13 Cabinet shall not require payroll payments to be made by direct deposit or require
14 the individual to use a Web-based program to access his or her salary statement.
- 15 (9) To the extent that KRS 16.010 to 16.199, 16.080, and 16.584 and administrative
16 regulations promulgated by the commissioner of the Department of Kentucky State
17 Police under authority granted in KRS Chapter 16 conflict with this section or any
18 administrative regulation promulgated by the secretary pursuant to authority
19 granted in this section, the provisions of KRS Chapter 16 shall prevail.