July 8, 2011

Memorandum

To: Agency/University HR Directors

From: Linda D. Coleman

Re: RIF Priority Changes: HB 22

House Bill 22 (Technical Corrections Act) amended the Reduction in Force priority afforded to SPA employees. Our office is drafting both temporary rules as well as working on permanent rules and policies to reflect the statutory changes. We will offer a webinar in the next few weeks to discuss the changes in more detail. However, we wanted to share with you the key points of the legislation as some agencies/universities may be facing additional RIFs. Below is a summary of the new legislation:

- Maintains 12 months priority period;
- Does not have a mandated salary requirement;
- Provides priority only to equal or lower salary grade/salary grade equivalent positions;
- Provides that if a RIF candidate has substantially equal qualifications to any other candidate (internal to state government or external), then the RIF candidate shall be hired; and
- Is effective July 1, 2011, thus any employee notified of RIF on or after July 1, 2011 would fall under these provisions.

As such, under the new legislation, RIF priority would be satisfied if a RIF employee obtains any permanent SPA position, at or below the salary grade/salary grade equivalent of the last position, at a salary no higher than the maximum of the grade of the position accepted. Of course, if a RIF employee obtains a higher level position (not because of RIF priority), then the RIF priority is also satisfied.

We will have 2 sets of policies/rules to work with. One set of policies/rules (the current rules and policies) will pertain to employees notified on or before June 30, 2011. The other set of policies/rules (those we are currently writing) will pertain to employees notified on or after July 1, 2011.

Also as a clarification, for employees notified between 5/1/09 – 6/30/11, HB 22 maintains the additional 12 months of priority granted via previous legislation.

Again, we are working on rules and policies to implement these changes as quickly as possible. We’ll send out information regarding the webinar soon. Should you have questions, please contact Lynn Floyd at 919/807-4835 (lynn.floyd@osp.nc.gov) or Stan Brown at 919/807-4894 (stan.brown@osp.nc.gov).

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