

POLICY STANDARDS

Requirements for establishing a Premium Pay Policy under Civil Service Rule 6.16(a) include the following:

- Effective July 1, 2015, the State Civil Service Commission has delegated the authority to the State Civil Service Director to establish premium pay policies up to \$2.00 an hour, for all hours worked, for the following conditions:
 - Hazardous Duty
 - Recruitment and Retention
 - Difficult Work Environment and/or Location
 - Extraordinary Duty
 - Market Pay Conditions
 - Application of Educational and/or Training Credentials
- The Premium Pay policy must be submitted to the Department of State Civil Service Compensation Division for approval prior to implementation. To establish a premium pay policy up to \$2.00 an hour, for all hours worked, for the conditions listed above, agencies shall send a copy of the proposed policy to the SCS Compensation Division at least 10 days in advance of the effective date; Premium Pay policies may not be implemented retroactively.
- Agencies must submit a letter to State Civil Service detailing the need and justification for the amount of Premium Pay requested. The [Premium Pay Questionnaire](#) must be included with the request letter for consideration.
- Agencies may choose to implement a flat rate or “up to” premium pay policy.

All premium pay policies with a flat rate must contain the following language:

“This policy is not intended to create any property rights. The agency may re-assess “need” and the allocation of funding resources at any time and may rescind or change the amount given with prior State Civil Service approval. Sufficient notice must be provided to the employee.”

All premium pay policies with “up to” must contain the following language:

“This policy is not intended to create any property rights. The agency may re-assess “need” and the allocation of funding resources at any time and may rescind or change the amount given at any time. Sufficient notice must be provided to the employee and notification must be sent to State Civil Service of any changes in the amount paid.”

- Agencies may have a case where \$2.00 an hour is not enough to address the issue. In these cases, agencies should submit a letter to State Civil Service detailing the need and justification for the amount of Premium Pay requested along with the [Premium Pay Questionnaire](#) to the Compensation Division for Commission approval.

- The SCS Director reserves the right to submit any premium pay request to the SCS Commission for consideration, depending upon the type of request, amount requested, and any other consideration associated with the Agency's request.

IMPLEMENTATION GUIDELINES

- Agencies must be aware that Premium Pay is discontinued if an employee leaves the position authorized for the special pay or if the employee stops performing the associated hazardous or extraordinary duties. Agency personnel should put measures in place to ensure that only employees that occupy positions authorized for premium pay and employees actually performing the duties necessitating premium pay actually receive this additional payment.
- Premium pay rates may be for regularly scheduled hours worked only, or for all hours, including overtime hours. Agencies should specify in their request how the rate will be implemented. Many agencies have found that restricting Premium Pay to hours worked only is a great tool to decrease absenteeism.
- State Civil Service may also proactively establish Premium Pay rates in recognized problem areas.