



# Accomplishments For You!

Since 1972, advocating for the rights and value of South Dakota state employees.

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## 1972

- ◆ June 27, 1972. SDSEO comes into existence as bylaws are adopted. James Schooler is first president. Membership is 67 state employees.
- ◆ October 28, 1972. First House of Delegates (HOD) held in Pierre with 15 delegates. Ron Drummond elected president. Nine resolutions passed.
- ◆ Resolution passed to seek Career Service System.
- ◆ Resolution passed seeking a consolidated retirement system.
- ◆ First newsletter issued, November 17, 1972.

## 1973

- ◆ Career Service Act passed by the Legislature.

## 1974

- ◆ Earnest Barth hired as first Executive Secretary (Director).
- ◆ Consolidated Retirement Act passed by the Legislature; \$5 million appropriated for system.
- ◆ \$400 cost-of-living (COLA) raise appropriated for state employees.
- ◆ HOD passes resolution seeking unlimited sick leave accumulation.
- ◆ HOD passes resolution to provide 5 days of sick leave for personal emergency reasons.

## 1975

- ◆ Act passed to provide 5 days of personal emergency leave.
- ◆ The Legislature passes bill to provide unlimited sick leave accumulation.
- ◆ \$400 COLA appropriated for each state employee, plus 2.5% merit for some employees.
- ◆ Inflation at 12%.

## 1976

- ◆ \$400 COLA plus merit raises passed by the Legislature.
- ◆ HOD passes resolution seeking payment of one-fourth of accumulated sick leave at termination or retirement.

## 1977

- ◆ \$250 COLA passed by the Legislature.
- ◆ Inflation at 6.5%.

## 1978

- ◆ 3% COLA plus \$603 lump sum plus 2.6% in discretionary merit increases approved by Legislature.
- ◆ HOD passes resolution seeking liability coverage for state employees.

## 1979

- ◆ 5% COLA plus 2% discretionary merit salary package passed.
- ◆ The Legislature passes a bill to provide for one-fourth payment of sick leave up to 480 hours.
- ◆ Inflation at 14%.
- ◆ HOD passes resolution to create deferred compensation program within SDRS.
- ◆ HOD passes resolution to allow use of personal emergency leave for care of family members.

## 1980

- ◆ 7.75% COLA plus \$312 lump sum salary package passed.

## 1981

- ◆ 7% COLA passed by the Legislature.
- ◆ Inflation at 13%.
- ◆ The Legislature approves liability coverage for state employees.
- ◆ HOD passes resolution seeking longevity pay system.

## 1982

- ◆ 5% COLA passed by the Legislature.

## 1983

- ◆ 4% COLA passed by the Legislature.
- ◆ Legislature attempts to reduce sick leave benefits. SDSEO defeats that attempt.

## 1984

- ◆ 4% COLA passed by the Legislature.
- ◆ HOD passes resolution seeking reduced tuition for state employees.

## 1985

- ◆ Hay System implemented.
- ◆ 4% COLA passed by the Legislature.

## 1986

- ◆ 4% COLA passed by the Legislature.
- ◆ HOD passes resolution to create Personnel Management Advisory Board.
- ◆ The Legislature passes reduced-tuition bill for state employees.
- ◆ Rule of 85 passed by the Legislature.

## 1987

- ◆ Personnel Management Advisory Board created by executive order.
- ◆ Longevity pay system instituted by the Legislature.
- ◆ 3% COLA passed by the Legislature.
- ◆ Supplemental Retirement (deferred compensation) plan introduced.
- ◆ Legislation grants specific uncredited service to 1,000 state employees.

## 1988

- ◆ The Legislature passes \$425 or 2.7% salary increase.
- ◆ HOD passes resolution seeking standardized maternity leave.

## 1989

- ◆ Hay System methodology repealed by the Legislature.
- ◆ Donated leave provision approved by the Legislature.
- ◆ Standardized maternity leave approved.
- ◆ 5% COLA passed by the Legislature.
- ◆ HOD passes resolution seeking formation of an SDSEO political action committee.
- ◆ HOD resolution asks for increase in longevity pay.

## 1990

- ◆ PACE implemented. The Legislature passes 5% salary increase plus 2% movement to midpoint.
- ◆ Longevity increase passed by the Legislature.
- ◆ HOD resolution asks for elimination of merit bonuses.
- ◆ HOD resolution seeks longevity calculation based on total years of service.

## 1991

- ◆ PACE continued, 3% COLA plus 2% movement to midpoint.
- ◆ Total years of service change in longevity statute approved.
- ◆ Political action committee, SDSEO-PAC, is launched.
- ◆ HOD resolution seeks lowering of minimum age to meet Rule of 85.

## 1992

- ◆ The Legislature approves change in donated leave to include life threatening illness as category.
- ◆ 4% salary COLA plus 2.5% movement to midpoint. Upward salary adjustments for pay grades 6 through 11 added to package.
- ◆ The SDSEO defeats bill to create optional retirement plan outside state retirement system (SDRS).

*(Continued on page 2)*

# Working For You!

- 1993**
- ◆ 3% COLA plus 2.5% movement to midpoint salary package approved by the Legislature.
  - ◆ SDSEO Investment Trust launched.
  - ◆ HOD resolution seeks increase in retirement formula.
- 1994**
- ◆ 3% COLA plus 2.5% movement to midpoint salary package passed by the Legislature.
  - ◆ Retirement formula improvement passed by the Legislature; cost is \$63 million.
  - ◆ HOD resolution seeks longevity pay to be prorated based on years, months and days.
  - ◆ HOD passes resolution to correct credited service inequity affecting state employees.
- 1995**
- ◆ Legislation passed to allow longevity pay to begin at 7 years of service, plus longevity payments are prorated.
  - ◆ PACE continued with 3% COLA plus 2.5% movement.
  - ◆ SDSEO defeats bill to create retirement plan outside SDRS.
- 1996**
- ◆ PACE continued with 0% COLA, 2.5% movement to midpoint plus longevity.
  - ◆ HOD resolution seeks increase in retirement multiplier.
- 1997**
- ◆ The Legislature approves credited service retirement provision based on HOD resolution. Affects 1,000 state employees.
  - ◆ PACE continued with 3% COLA plus 2.5% movement.
  - ◆ Retirement multiplier increased; cost is \$88 million.
- 1998**
- ◆ SDSEO issues resolution seeking improvement in SDRS benefit formula. Formula improvement passed by the Legislature. Cost is \$135 million.
  - ◆ The Legislature passes PRO for all SDRS participants and lowers vesting from 5 to 3 years.
  - ◆ Bill passed to prorate SDRS interest on a monthly basis.
  - ◆ PACE continued with a 3% COLA, plus 2.5% movement.
  - ◆ SDSEO helps defeat legislation that would have adversely affected payroll deduction.
  - ◆ SDSEO Investment Trust Ltd. passes \$1 million in assets; 0% sales charge goes into effect.
- 1999**
- ◆ Legislature passes SDRS benefit improvement. Value: \$168 million.
  - ◆ SDSEO sponsored legislation affecting donated leave provisions is passed. Bill allows state employees to donate leave to another state employee who must care for a terminally ill child, parent or spouse.
  - ◆ PACE continued with 3% salary increase, plus 2.5% movement to midpoint. FTE funding level is 12,929 employees.
  - ◆ SDSEO helps defeat two bills affecting how employee associations spend dues income.
- 2000**
- ◆ PACE continued with 3% COLA, 2.5% movement to midpoint.
  - ◆ The Legislature increases Class A contributions.
  - ◆ SDRS benefit formula improved; cost is \$212 million.
  - ◆ SDSEO defeats legislation that would've harmed public employee orgs.
  - ◆ SDSEO Investment Trust passes \$1.5 million.
- 2001**
- ◆ PACE continued with 3% COLA, 2.5% movement.
  - ◆ Rule of 80 passes Senate, fails in House.
  - ◆ Appropriations Committee conducts study of state employee compensation.
- 2002**
- ◆ Salary package passed with 3% COLA and 2.5% movement.
  - ◆ SDSEO stops effort to repeal longevity.
  - ◆ SDSEO Investment Trust passes \$2 million mark.
- 2003**
- ◆ PACE continued with 2% COLA and 2.5% movement.
  - ◆ SDSEO bill to reduce waiting period for tuition breaks becomes law.
- 2004**
- ◆ PACE package passed with 3% COLA and 2.5% movement.
  - ◆ Health insurance plan costs held at 2% increase.
  - ◆ SDRS legislation creates a 401(a) for state employees.
- 2005**
- ◆ PACE package passed with 2.25% COLA and 2.5% movement.
  - ◆ Health insurance plan cost unchanged for employees and dependents.
  - ◆ Reserve law enforcement and emergency search and rescue workers qualify for administrative leave (HOD resolution).
- 2006**
- ◆ PACE package passed with 3% COLA and 2.5% movement.
  - ◆ Health insurance plan costs held at 0% increase for employees, 4% for dependents.
  - ◆ HOD resolution asking lower requirements to participate in SDRS Special Pay Plan passes in form of SB 5.
- 2007**
- ◆ PACE package passed with 3% COLA and 2.5% movement toward midpoint plus longevity.
  - ◆ SDSEO testifies in favor of HB1004 to remove state vehicles from law created by Initiated Measure 5 that increases penalties for misuse of state aircraft. The bill passes.
  - ◆ SDSEO drafts SB158 to provide for additional 1% salary increase. The bill is defeated in Appropriations.
- 2008**
- ◆ Governor proposes 2.5% salary policy.
  - ◆ SDSEO proposes .5% salary policy increase.
  - ◆ SDSEO successful, PACE package passed 3% COLA and 2.5% movement.
  - ◆ BOP eliminates Network Plan, creates \$300 deductible.
  - ◆ Retirement multiplier increased, \$351 million improvement.
- 2009**
- ◆ Governor proposes zero salary policy.
  - ◆ SDSEO supports amendment to general bill to include 2.5% PACE adjustment. Joint Appropriations tables amendment.
  - ◆ SDSEO supports amendment to general bill to include 1.5% across-the-board COLA. Joint Appropriations tables amendment.
  - ◆ Joint Appropriations requires South Dakota Bureau of Personnel to provide proposed changes to the State Health Plan to SDSEO prior to the legislative session.
  - ◆ SDSEO supports HB1210 to increase mileage reimbursement. House Transportation Committee defeats bill.
  - ◆ SDSEO proposes the use of ARRA (federal stimulus funds) for one-time salary adjustment for all employees. JCA rejects proposal.
- 2010**
- ◆ Governor proposes zero salary policy.
  - ◆ SDSEO testifies in support of HB1234, a 1.2% across-the-board salary increase for all state employees.
  - ◆ SDSEO opposes all new spending legislation in response to zero salary policy.
  - ◆ SDSEO testifies in opposition to amendment to the general bill to eliminate longevity.
  - ◆ SDSEO proposes use of Budget Reserve for one-time salary adjustment equal to 1.2%-proposal is rejected by JCA.
- 2011**
- ◆ Governor proposes zero salary policy and across-the-board 10% cut.
  - ◆ SDSEO supports SB 199, a one-time 1% across the board salary increase. The bill is tabled in Senate Appropriations Committee.
- 2012**
- ◆ Two separate state-employee bonus bills proposed. SDSEO testifies for successful compromise bill giving \$2,300 to state employees who earn less than \$46,000/year and 5% of salary to those above to \$150,000/year. Bonuses distributed March 2012.
  - ◆ 3% salary policy, movement to job worth, and career banding funded.
  - ◆ SDSEO-supported Roth IRA added to state retirement system.
- 2013**
- ◆ 3.5-4.0% salary policy, movement to job worth, and career banding funded.
  - ◆ State employee compensation increase of \$47 million.
  - ◆ HOD passes resolution calling for state to release complete upcoming health plan information to the SDSEO by April 1 of each year.
  - ◆ HOD passes resolution calling for the SDSEO to work with the state to ensure that dental insurance is usable in all areas of the state. This follows Bureau of Human Resources enactment of a dental/vision plan in 2012 that providers in Rapid City and Brookings did not buy into.
- 2014**
- ◆ 3% across the board salary increase, 3% PACE, to 4.5% career band movement, movement to job worth, and career banding funded.
  - ◆ State employee compensation increase of nearly \$54 million.
  - ◆ SDSEO works against bill that would force all state employees to pay insurance premiums. Bill is withdrawn.
- 2015**
- ◆ 2% market adjustment for non-career band employees, 0-6.6% market adjustment for career bands, 2.0% movement to market value, no health insurance increase.
  - ◆ State employee compensation increase of \$26.5 million.
  - ◆ Per diem rates improved.
- 2016**
- ◆ All recommended salary increases passed.
  - ◆ 2.7% market adjustment for non-career band employees, 0-2.7% market adjustment for career bands, 2.5% movement to market value, no health insurance increase.
  - ◆ State employee compensation increase of \$29.997 million.
  - ◆ New SDRS plan approved. Plan affects employees hired after June 30, 2017.
- 2017**
- ◆ A multi-million-dollar decline in sales tax revenues set the stage for a tough session. There were no across-the-board raises, and the health plan request was only partially funded.
  - ◆ State employee compensation/benefit increase of \$1.094 million.