



AAA Memo: HCM 19-09

Date: June 13, 2019

The following changes are effective July 1, 2019:

1. The minimum wage for classified and unclassified state employees is increasing.
2. House Bill 2771 implementation.

[Title 74, Section 840-2.16](#) requires that the minimum wage for classified and unclassified state employees, with certain exceptions (temporary and seasonal employees), be set at an annualized salary equal to the amount established in the Federal Poverty Guidelines for a three-person household. This salary requirement is issued each year in the Federal Register by the United States Department of Health and Human Services. The new amount is \$21,330 with an hourly rate of \$10.25.

In accordance with the aforementioned minimum wage statute, we are required on July 1, 2019, to adjust the pay rates of all affected employees whose current rates fall below the new annual Federal Poverty Guideline of \$21,330. We will raise the minimum rates of pay bands A through E of the classified pay structure and pay bands 1-5 on the unclassified pay structure, since those minimums are currently below the new Federal Poverty Guidelines.

We ask that you increase the salaries of any affected employees effective July 1, 2019.

For updated classified and unclassified pay structures, please visit the [OMES HCM salary schedule](#).

House Bill 2771 Eligibility Criteria

Affected are all full-time and part-time officers and employees, including temporary and other limited-term employees of the state who are employed

by the state on the last working day of June 2019. Classified employees eligible for this salary increase shall receive the increase even if it causes the employees' salaries to exceed the maximum of the pay band.

No salary increase pursuant to this section shall be made that exceeds a salary limitation provided in an agency's annual appropriation bill or salary limits set by statute. Board members or commissioners whose compensation is spelled out in statute, along with the ineligible officers mentioned below, are ineligible for the pay increase.

Amount of Annual Salary Increases

Increase amounts for base salary as of June 30, 2019:

- \$40,000 and under - \$1,500.
- \$40,001 - \$50,000 - \$1,250.
- \$50,001 - \$60,000 - \$800.
- \$60,001 and over: \$600.

Other Eligible Employees

- Employees of county health departments.
- Employees of a conservation district.
- Employees of the George Nigh Rehabilitation Institute.

Ineligible Officers and Employees

The following officers and employees shall not be eligible for a pay increase pursuant to this section; and nothing, except as otherwise provided by Section 840-2.17 of Title 74 of the Oklahoma Statutes, shall be construed to authorize any increase or advancement of the salaries of:

- Any elected official.
- Any cabinet secretary whose salary is governed by Section 10.5 of Title 74 of the Oklahoma Statutes.
- Any agency director.
- Any justice or judge whose salary is governed by the provisions of Title 85A of the Oklahoma Statutes or whose compensation is set by the Board on Judicial Compensation pursuant to Section 3.4 of Title 20 of the Oklahoma Statutes.
- Any district attorney whose salary is governed by Section 215.30 of Title 19 of the Oklahoma Statutes.
- Officers and employees of institutions under the administrative authority of the Oklahoma State Regents for Higher Education, except for officers and employees of the George Nigh Rehabilitation Institute.

- Persons employed pursuant to Section 2241 of Title 74 of the Oklahoma Statutes.
- Persons employed pursuant to Section 1.6a of Title 53 of the Oklahoma Statutes.
- Persons who are employed or under contract pursuant to subsection B of Section 1419 of Title 10 of the Oklahoma Statutes.
- The Adjutant General and Assistant Adjutants General pursuant to Section 27 of Title 44 of the Oklahoma Statutes.
- Department of Corrections employees eligible to receive compensation increases pursuant to Enrolled Senate Bill No. 1045 of the 1st Session of the 57th Oklahoma Legislature.

Automatic Action

CORE will do an automatic action to effect the pay raise. The general pay increase for eligible employees will be implemented before any other personnel transactions effective that date. No other effective dated changes for July 1 or after can be put into the system until this update has been completed. Please note that CORE will not be performing the automatic action for board members or commissioners.

Questions regarding the content of this memorandum, or any other questions relating to the implementation of House Bill 2771, may be directed to Jake Smith, Director of Talent Management, at 405-521-6327.