

A bill for an act
relating to state government; instituting a salary and wage freeze for state
employees; proposing coding for new law in Minnesota Statutes, chapter 43A.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[43A.175] SALARY FREEZE.**

(a) Effective July 1, 2011, a state employee may not receive a salary or
wage increase. This section prohibits any increases, including but not limited to:
across-the-board increases; cost-of-living adjustments; increases based on longevity;
step increases; increases in the form of lump-sum payments; increases in employer
contributions to deferred compensation plans; or any other pay grade adjustments of any
kind. This section does not prohibit an increase in the rate of salary and wages for an
employee who is promoted or transferred to a position with greater responsibilities and
with a higher salary or wage rate.

(b) A state appointing authority may not enter into a collective bargaining agreement
or implement a compensation plan that increases salary or wages in a manner prohibited
by this section. Neither a state appointing authority nor an exclusive representative of state
employees may request interest arbitration in relation to an increase in salary or wages that
is prohibited by this section, and an arbitrator may not issue an award that would increase
salary or wages in a manner prohibited by this section.

EFFECTIVE DATE. Paragraph (b) is effective the day following final enactment.
Paragraph (a) is effective June 30, 2011.