

2.1 an increase in salary or wages based on cost of living or progression to another step or
2.2 lane unless the employee's supervisor certifies that the employee's individual performance
2.3 has been satisfactory and justifies spending additional public funds on the employee's
2.4 compensation.

2.5 (c) This section supersedes any conflicting provision of law.

2.6 **EFFECTIVE DATE.** This section is effective July 1, 2011. For employees covered
2.7 by a collective bargaining agreement, this section applies to collective bargaining
2.8 agreements entered into on or after that date.

2.9 Sec. 2. **SALARY FOR UPCOMING BIENNIUM.**

2.10 During the biennium ending June 30, 2013, each executive branch appointing
2.11 authority shall construct a performance bonus component as part of overall compensation
2.12 earned during that biennium. Under the performance bonus component, at least five
2.13 percent of total base salary and wages otherwise payable to an employee may be paid
2.14 only after completion of the performance appraisal conducted under Minnesota Statutes,
2.15 section 43A.20, paragraph (a), and upon the appointing authority's determination that the
2.16 employee's performance has been satisfactory and justifies spending additional public
2.17 funds on the employee's compensation.

2.18 This section supersedes any conflicting provision of law.

2.19 **EFFECTIVE DATE.** This section is effective July 1, 2011. For employees covered
2.20 by a collective bargaining agreement, this section applies to collective bargaining
2.21 agreements entered into on or after that date.