

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1368 Session of  
2009

INTRODUCED BY MURT, BAKER, D. COSTA, CREIGHTON, DePASQUALE,  
GIBBONS, GODSHALL, GOODMAN, HARRIS, KAUFFMAN, KORTZ, RAPP,  
STERN, J. TAYLOR AND VULAKOVICH, APRIL 28, 2009

REFERRED TO COMMITTEE ON STATE GOVERNMENT, APRIL 28, 2009

AN ACT

1 Prohibiting Commonwealth agencies from paying bonuses to  
2 employees; and imposing penalties.

3 The General Assembly of the Commonwealth of Pennsylvania  
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Commonwealth  
7 Agency Bonus Ban Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall  
10 have the meanings given to them in this section unless the  
11 context clearly indicates otherwise:

12 "Bonus." Any monetary compensation given to an employee  
13 above and beyond the employee's annual salary or other rate of  
14 pay. The term does not include the following:

15 (1) Reimbursement or payments for expenses related to  
16 official business, including, but not limited to, meals,  
17 housing, uniforms, car allowance and other expenses.

1           (2) Severance payments under a personnel compensation  
2 plan, contract or collective bargaining agreement.

3           (3) Payments for unused vacation or sick leave.

4           (4) An annual cost-of-living adjustment equivalency  
5 payment made to an individual at the maximum salary range  
6 adopted under a personnel compensation plan or a collective  
7 bargaining agreement.

8           (5) An arbitration award.

9           (6) Payments made under litigation.

10          (7) Overtime payments required for work performed in  
11 excess of the maximum workweek.

12          (8) Shift differential payments, standby or call-time  
13 payments or extra duty payments made under a collective  
14 bargaining agreement.

15 "Commonwealth agency." Any of the following:

16          (1) The Governor, Lieutenant Governor, Attorney General,  
17 Auditor General, State Treasurer and the departments,  
18 offices, boards, authorities, commissions and other agencies  
19 of the executive branch of the government of this  
20 Commonwealth, whether or not subject to the supervision and  
21 control of the Governor.

22          (2) The legislative branch of the government of this  
23 Commonwealth.

24          (3) Any court and any office of the unified judicial  
25 system of this Commonwealth.

26 Section 3. Bonus ban.

27 No Commonwealth agency may pay a bonus to any of its  
28 employees.

29 Section 4. Penalties.

30          (a) Reimbursement.--Employees of Commonwealth agencies who

1 are paid a bonus after the effective date of this section shall  
2 reimburse the Commonwealth for the full amount of the bonus.

3 (b) Penalty.--An individual who intentionally approves or  
4 authorizes a bonus prohibited by this act commits a misdemeanor  
5 of the third degree.

#### 6 Section 5. Effect on compensation.

7 (a) General rule.--A bonus payment made in violation of  
8 section 3 as determined by the Commonwealth agency that made the  
9 payment or by a court of competent jurisdiction shall not be  
10 deemed to be compensation.

11 (b) Construction.--Nothing in this act shall be deemed to  
12 affect the definition of compensation under 71 Pa.C.S. Pt. XXV  
13 (relating to retirement for State employees and officers) or 24  
14 Pa.C.S. Pt. IV (relating to retirement for school employees).

#### 15 Section 6. Employment contracts to be written and open to 16 inspection.

17 A personnel compensation plan, contract or collective  
18 bargaining agreement by a Commonwealth agency shall be in  
19 writing and shall be a public record subject to the act of  
20 February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law.

#### 21 Section 7. Applicability.

22 The provisions of this act shall not abrogate any provision  
23 of a collective bargaining agreement or employment contract that  
24 exists prior to the effective date of this section.

#### 25 Section 8. Effective date.

26 This act shall take effect in 30 days.