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.

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

(3) Payments for unused vacation or sick leave.

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

(5) An arbitration award.

(6) Payments made under litigation.

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

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

"Commonwealth agency." Any of the following:

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

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

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

Section 3. Bonus ban.

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

Section 4. Penalties.

(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.