Article 4.

Compensation.

§ 126A-4-1. Compensation system.

(a) The Commission shall establish policies on compensation for positions subject to this Article, including the following:

(1) The setting of compensation, including salary ranges, salaries, longevity pay, performance pay, and bonuses. These policies shall address temporary and permanent pay adjustments and one-time bonuses, awards, and other compensation.

(2) A compensation system.

(b) The Commission shall establish compensation policies under subsection (a) of this section that (i) make State government a competitive and attractive employment option for recruitment and retention, (ii) provide substantially similar compensation levels for positions with substantially similar work, and (iii) recognize and reward performance. (2026-40, s. 1.)

§ 126A-4-2. Agency flexibility for compensation.

(a) Each agency shall set employee salaries for positions subject to this Article in accordance with the compensation system established by the Commission in accordance with G.S. 126A-4-1. Each agency may set an employee's salary at any point within the salary range for the position classification established by the Commission.

(b) Each agency with an exempt policymaking position or an exempt managerial position may set the salary for that position within the salary range established by the Commission plus thirty percent (30%).

(c) Nothing in this section limits the Commission or Director's ability to enforce corrective actions against an agency setting compensation beyond the scope of the flexibility provided in this section. (2026-40, ss. 1, 5.9(*l*).)

§ 126A-4-3. Minimum salary.

The Commission shall set the minimum for all salary ranges in the compensation system established in accordance with G.S. 126A-4-1 to at least thirty-one thousand two hundred dollars ($31,200). This minimum salary applies to full-time employees who are not placed on leave without pay during the year. This minimum salary does not apply to State-funded local employees. (2026-40, s. 1.)