

State of Wisconsin

DEPARTMENT OF EMPLOYMENT RELATIONS

- CLASSIFICATION & COMPENSATION BULLETIN -

Date: September 11, 1996

Locator No: CC/POL-34

Subject: Notification of Permanent Rule Relating to Voluntary Demotions Within An Agency in Advance of Formal Layoffs

The purpose of this bulletin is to inform appointing authorities, personnel and payroll staff of the creation of a new permanent rule, s. ER 29.03(8)(bm), Wis. Admin. Code, effective Thursday, August 1, 1996. The intent of the new permanent rule is the same as that of the emergency rule that went into effect on March 18, 1996 relating to setting pay upon voluntary demotion under certain circumstances. (See, Division of Classification and Compensation bulletin CC/POL-29, dated March 21, 1996.)

The permanent rule is identical to the emergency rule with the exception of a minor editorial change suggested by the Rules Clearinghouse. A copy of Chapter ER 29, Wis. Admin. Code, which incorporates the new rule, is attached for your reference. Copies should be made for all individuals who maintain a copy of the ER rules, or of Chapter ER 29 in particular.

The new rule allows an appointing authority to red-circle an employee's pay, if it is above the pay range maximum of the new position when the employee demotes within the agency to a position that is no more than three pay ranges or counterpart pay ranges lower than the employee's current pay range and the employee has received written notification that his or her position may be affected by layoffs.

This rule applies only to voluntary demotions to both nonrepresented and represented positions when the pay is determined under the administrative rules. **This rule is not applicable once an employee has received a formal layoff letter.** Once an employee receives a formal layoff letter, the applicable provisions from the administrative rules or collective bargaining agreement must be used. Moreover, this rule does not apply to voluntary demotions to classifications covered by the pay transaction provisions contained in the Wisconsin State Employees Union (WSEU) agreement (Appendix 3), or to classifications covered by pay transaction provisions established in the compensation plan relating to WSEU-counterpart classifications (Section Y).

NOTE: There has been some confusion as to the relationship of the written notification of an employee's position possibly being affected by layoff that is required for application of the above rule and the "at risk of layoff" letter that may be given to WSEU-represented employees. The "at risk of layoff" designation given to certain WSEU-represented employees under 8/2/1 of the 1995-97 labor agreement applies only to employees who are in WSEU-represented positions at the time they receive written notification that their positions may be affected by layoff.

NOTE: (Continued)

An employe who receives a similar notification but who is not in a WSEU bargaining unit position at the time she or he receives the written notification that her or his position may be affected by layoff is not considered to have been designated as “at risk of layoff” for purposes of setting pay upon downward movement under the WSEU provisions. Thus, the employe shall not be granted a “temporary transaction rate” upon demotion to a WSEU-represented position. Any questions regarding administration of the WSEU pay provisions should be directed to Jeanne Meyer or Eileen Kellor, at the numbers noted below.

Questions regarding the new rule may be directed to Eileen Kellor, Compensation Administration Manager, at (608) 267-7617, or Jeanne Meyer, Compensation Analyst, at (608) 267-5164.

James A. Pankratz, Administrator
Division of Classification and Compensation

JAP:EMK

Attachment