

**GOVERNOR NOEM'S RECOMMENDATION FOR THE FY2026
STATE EMPLOYEE COMPENSATION PLAN**

	<u>GENERAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>OTHER FUNDS</u>	<u>TOTAL FUNDS</u>
MARKET ADJUSTMENT:	\$ 6,778,516	\$ 2,886,558	\$ 7,063,834	\$ 16,728,908
The Governor is recommending a 1.25% market adjustment for state employees.				
HEALTH INSURANCE:	\$ 3,114,240	\$ 1,314,411	\$ 2,745,672	\$ 7,174,323
The Governor is recommending an increase for the state employee health insurance plan.				
TOTAL COST OF RECOMMENDED STATE EMPLOYEE COMPENSATION PLAN:	<u>\$ 9,892,756</u>	<u>\$ 4,200,969</u>	<u>\$ 9,809,506</u>	<u>\$ 23,903,231</u>

For FY2026, the components of the state employee compensation plan are recommended as a pool in the Bureau of Finance and Management to be distributed to agencies following the passage of the General Appropriations Act.