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Mary Elizabeth Bailey
SECRETARY

MEMORANDUM

PERSONNEL MEMO 26-03

To: Cabinet Secretaries
Agency Heads
Human Resource (HR) Administrators

From: Mary Elizabeth Bailey, Secretary *MEB*

Date: February 17, 2026

Re: **Personnel Restrictions, Effective March 1, 2026**

In order to promote effective and efficient management of State Government operations, the following personnel restrictions are effective March 1, 2026:

1. In order to continue to address compression, agencies may only appoint, rehire, reclassify and promote an individual up to 35% above the entry of the pay grade, unless approved by the Secretary of Personnel or Commissioner of the Department of Human Resources Administration. Furthermore, agencies shall not set specific rates of pay by pay grade. Position compensation shall be based on recruitment and retention rates needed at the time of each individual action, in accordance with 101 KAR 2:034 and 101 KAR 3:045. If a specific rate of pay is needed for a job classification, the agency shall submit a request to the Department of Human Resources Administration.
2. Agencies are required to perform the in-range analysis of positions in accordance with 101 KAR 2:034, Section 1(2). Agencies are no longer permitted to apply a broad in-range salary adjustment without the approval of the Secretary of Personnel or the Commissioner of the Department of Human Resources Administration.
3. Employees shall not be required or permitted to work more than 40 hours per week except to ensure the delivery of critical public services, to maintain health and life safety operations, or to meet critical deadlines. No employee shall be authorized to work overtime if the overtime would result in the employee's compensatory leave balance reaching or exceeding 240 hours without prior approval from the agency's appointing authority or designee.
4. Employees, except those in policy-making positions, who have a compensatory leave balance at or above 100 hours, shall utilize compensatory leave before annual leave, unless the employee's annual leave balance exceeds the maximum number of hours that may be carried forward pursuant to 101 KAR 2:102 and 101 KAR 3:015.

Thank you for your attention to these matters. If you have any questions, please contact my office.