ENGROSSED HOUSE
BILL NO. 2463

By: Dunegan of the House

and

Dickerson of the Senate

(Oklahoma Personnel Act - amending 74 O.S., Sections 840-1.15 and 840-2.20 - Human Resources Management Advisory Committee - effective date - emergency)

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 5, Chapter 242, O.S.L. 1994, as amended by Section 2, Chapter 310, O.S.L. 1995 (74 O.S. Supp. 1995, Section 840-1.15), is amended to read as follows:

Section 840-1.15 A. Effective September 1, 1994, there is hereby created a nine-member Human Resources Management Advisory Committee. The membership of the advisory body shall be as follows:

1. The Administrator of the Office of Personnel Management or a designee; and

2. The Executive Director of the Oklahoma Merit Protection Commission or a designee; and

3. The Executive Director of the Oklahoma Public Employees Association or a designee; and

4. Two members shall be appointed by the Governor, one of whom shall be an employee of an agency employing less than two hundred full-time-equivalent employees and the other shall be an employee of

an agency employing more than two hundred full-time-equivalent employees; and

5. Two members appointed by the Speaker of the House of Representatives, one of whom shall be a member of the House of Representatives, the other shall have human resource management experience in the public sector; and

6. Two members appointed by the President Pro Tempore of the Senate, one of whom shall be a member of the Senate, the other shall have human resource management experience in the public sector.

B. The Administrator or designee shall chair the Advisory Committee. The Chairman of the Advisory Committee shall call the first meeting of the Advisory Committee by September 15, 1994. A majority of the members of the Advisory Committee shall constitute a quorum to transact business, but no vacancy shall impair the right of the remaining members to exercise all of the powers of the Advisory Committee, and every act of a majority of a quorum of the members present shall be deemedan act of the Advisory Committee. Any vacancy in office shall be filled in the same manner as the original appointment. Staff for the Advisory Committee shall be provided by the Office of Personnel Management and the Oklahoma Merit Protection Commission.

The Advisory Committee shall be exempt from the Administrative Procedures Act and shall not have authority to promulgate administrative rules pursuant to Article I of the Administrative Procedures Act.

C. Members of the Advisory Committee shall receive no compensation for serving on the Advisory Committee but shall receive

travel reimbursement for their necessary travel expenses incurred in the performance of their duties on the Advisory Committee as follows:

a. legislative members of the Advisory Committee shall be reimbursed in accordance with Section 456 of ~~Title 74 of the Oklahoma Statutes~~ this title from the legislative body in which they serve,

b. nonlegislative members of the Advisory Committee who are officers or employees of the state shall be reimbursed by their employing agency in accordance with the State Travel Reimbursement Act, and

c. members of the Advisory Committee who are not otherwise officers or employees of the state shall be reimbursed by the Office of Personnel Management in accordance with the State Travel Reimbursement Act.

D. The Advisory Committee shall conduct the following studies and shall make recommendations to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives according to the following schedule:

1. Study of the State Government Positions.

The Advisory Committee shall study the nature, status, functions, and composition of the classified and unclassified services of the state. In making recommendations based on this study, the Advisory Committee shall include recommendations regarding:

a. appropriate conditions and provisions for employment in the classified and unclassified services,

b. the types of offices, positions, and personnel that should comprise the classified service and the unclassified service, including recommendations for the transfer of positions from the classified service to the unclassified service and vice versa, and

c. the establishment of a career or senior executive service.

These recommendations shall be submitted by December 1, 1994;

2. Study of Recruitment and Selection.

The Advisory Committee shall study the laws, standards, policies, and procedures for recruiting, screening, and certifying persons for appointment and promotion within the Merit System. The study may include but shall not be limited to:

a. use of a wide array of testing methods ranging from improved tests, rankings of individual achievement records, oral interviews and simulations,

b. creation of a method for combining and ranking written tests with individual achievement records and other valid assessment criteria,

c. creation of alternative assessment criteria based on superior academic record or other professional achievement,

d. creation of tests for a broad series of similar occupations, and

e. exempting classifications requiring state or nationally recognized professional licensure from this testing and rating procedures.

The Advisory Committee's recommendations shall be submitted by February 1, 1995;

3. Study of Single Leave.

The Advisory Committee is to study the feasibility and the advantages or disadvantages of creating a system for state government to accrue leave on an undifferentiated basis in lieu of the current practice that divides leave accrual into annual and sick leave. The Advisory Committee shall consider the fiscal impact and potential benefits that state employees may derive from such reform in the leave system for the state service. The Advisory Committee

shall submit its recommendations regarding this study by ~~July 1, 1995~~ January 1, 1997;

4. Study of Performance Appraisals.

The Advisory Committee shall study the purposes for, and uses of, employee performance appraisals within Merit System agencies. It shall consider:

a. an annual evaluation of the employee's performance of assigned duties and responsibilities,

b. factors that affect individual, work group, or agency performance,

c. consideration of acquisition of additional skills and competencies relevant to agency performance,

d. information solicited from the state employee's peers, if appropriate, and

e. an annual evaluation of supervisors in agencies that shall include performance evaluation information from employees of their supervisors.

The recommendations of the Advisory Committee shall include guidelines for a new performance appraisal system for the classified service. The recommendations shall be submitted by July 1, 1995;

5. Study of Delegation of Personnel Functions of the Office of Personnel Management, Model Projects and Annual Agency Human Resource Management Plans and Self-Evaluations.

The Advisory Committee shall recommend systems and establish standards and procedures for delegating to appointing authorities the authority to administer human resources functions normally conducted by the Office of Personnel Management to appointing authorities. The delegation projects shall not include discipline or compensation. Recommendations for legislation to implement the Delegation Program shall be submitted by March 1, 1995. Additional recommendations for implementation shall be submitted by August 1, 1995. Delegation would be restricted to two initial delegation

approvals, one involving position classification and one involving certification of candidates. One delegation effort would be to an agency with more than two hundred full-time-equivalent employees and the other to an agency under two hundred full-time-equivalent employees. The Administrator shall have the authority to approve delegation applications which shall constitute authority for the agency to implement approved delegations of personnel authority. No initial delegation could start before January 1, 1996. No additional delegations may start before January 1, 1997.

The Advisory Committee is to develop recommendations to create a program to allow agencies to design model human resource projects to test and evaluate the effect of innovative policies, standards, and procedures.

The number and scope of model projects would be limited only by capacity of the agency to implement the model projects, the quality of model project applications, and the ability of the Office of Personnel Management to monitor the projects. The Advisory Committee would have to approve the projects and would receive recommendations from the Office of Personnel Management Administrator. Upon approval by the Advisory Committee, the Administrator shall have the authority to approve model project applications which shall constitute authority for the agency to implement approved model projects. No model projects would be able to start before January 1, 1996.

Such procedures for delegations of personnel authority and model projects may include, but not be limited to, an evaluation component, employee participation in the development of the plan and notification of approved delegation of personnel authority or model project, audits, and conditions for termination of a delegation of personnel authority or a model project by the Administrator.

A Human Resource Management Plan and Self-Evaluation Report system for agencies should include but not be limited to provisions

related to affirmative action; staffing, recruitment, and promotion; classification and compensation; training and staff development expenditures; the reporting of internal agency grievances and discrimination complaints filed, discharges, suspensions without pay and demotions, and number of investigations directed by the Oklahoma Merit Protection Commission and the outcome of all such actions; and strategies for assuring employee participation in the development of agency personnel activities. The self-evaluation should include comparisons with the previous year or years' personnel actions. The Advisory Committee shall submit its recommendations regarding this study by January 1, 1996.

SECTION 2. AMENDATORY 74 O.S. 1991, Section 840.7a, as renumbered by Section 54, Chapter 242, O.S.L. 1994, and as last amended by Section 11, Chapter 358, O.S.L. 1995 (74 O.S. Supp. 1995, Section 840-2.20), is amended to read as follows:

Section 840-2.20 The Administrator of the Office of Personnel Management shall promulgate such emergency and permanent rules regarding annual leave and sick leave as are necessary to assist the state and its agencies in the equitable implementation of the State Disability Insurance Program. Such rules shall be so designed as to provide for coordination between leave accrual, leave accumulation, leave use, and eligibility for disability insurance coverage, such disability insurance coverage to be determined by the State Employees Group Health, Dental and Life Insurance Board.

The Administrator of the Office of Personnel Management, in adopting new rules, amending rules and repealing rules, shall ensure that the following provisions are incorporated:

1. Eligible employees who enter on duty or who are reinstated after a break in service shall receive leave benefits in accordance with the schedule outlined below. Leave will be accrued on a monthly basis and prorated, as appropriate, for less than full-time service. Years of service shall be based on cumulative periods of

employment calculated in the manner that cumulative service is determined for longevity purposes pursuant to Section 840-2.18 of this title.

2.

	ACCRUAL RATES			ACCUMULATION LIMITS
	Cumulative Years of Service	Annual Leave	Sick Leave	Annual Leave
Persons employed	0-5 yrs =	15 day/yr	15 days/yr	30 days
	5-20 yrs =	18 day/yr	15 days/yr	60 days
	over 20 yrs =	20 day/yr	15 days/yr	60 days

All accrued annual leave and all leave eligibility under O.A.C. 530:10-15-11(b)(5) which is in excess of annual leave limits shall not be reduced or eliminated as a result of these rule changes.

3. Employees entering on duty in eligible status and eligible employees reinstated or reemployed following a break in service on or after July 1, 1985, shall accrue annual and sick leave in accordance with the provisions of paragraph 2 of this section on and after the effective date of this act, Section 840.1 et seq. of this title, but shall not be entitled to any additional leave for the period between July 1, 1985, and the effective date of this act as a result of the provisions of this act.

4. Temporary employees and other limited term employees are ineligible to accrue, use, or be paid for sick leave and annual leave. Such employees shall be eligible for paid holiday leave at the discretion of the appointing authority.

5. Employees shall not be entitled to retroactive accumulation of leave as a result of amendments to this section. Effective September 1, 1994, employees shall be eligible to accrue leave pursuant to paragraph 1 of this section.

6. The Administrator of the Office of Personnel Management and the Executive Director of the Oklahoma Merit Protection Commission

shall cooperate to assist agencies in developing policies to prevent violence in state government workplaces without abridging the rights of state employees. Such policy shall include a paid administrative leave provision as a cooling-off period which the Administrator of the Office of Personnel Management is authorized to provide pursuant to the Administrative Procedures Act. Such leave shall not be charged to annual or sick leave accumulations.

7. State employees who terminated their employment in the state service on or after October 1, 1992, may be eligible to have sick leave accrued at the time of termination of employment restored if they return to state employment, provided that the state employees' enter-on-duty dates for reemployment occur on or before two (2) years after their termination of employment and they are eligible to accrue sick leave before the two (2) years expires.

8. The University Hospitals Authority Model Personnel System shall be exempt from the provisions of this section.

SECTION 3. This act shall become effective July 1, 1996.

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 6th day of March, 1996.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1996.

President of the Senate