ENGROSSED HOUSE AMENDMENT
TO
ENGROSSED SENATE BILL NO. 571 By: Helton of the Senate

and

Ervin and McCarter of the House

(state employees - amending 74 O.S. 1991, Sections 500.8, as last amended by Section 3, Chapter 335, O.S.L. 1995, and 500.9, as last amended by Section 2, Chapter 354, O.S.L. 1997 (74 O.S. Supp. 2000, Sections 500.8 and 500.9) – State Travel Reimbursement Act - amending 74 O.S. 1991, Section 840.5, as last renumbered by Section 24, Chapter 310, O.S.L. 1995, and as last amended by Section 1, Chapter 336, O.S.L. 2000 (74 O.S. Supp. 2000, Section 840-1.6A) - Oklahoma Personnel Act – codification –

effective date)

AMENDMENT NO. 1. Strike the stricken title, enacting clause and entire bill and insert

"(state employees - amending 74 O.S., Section 840-1.6A - Oklahoma Personnel Act – amending 56 O.S., Section 162.6 – recodification - codification –

effective date)

SECTION 1. AMENDATORY 74 O.S. 1991, Section 840.5, as last renumbered by Section 24, Chapter 310, O.S.L. 1995, and as last

amended by Section 1, Chapter 336, O.S.L. 2000 (74 O.S. Supp. 2000, Section 840-1.6A), is amended to read as follows:

Section 840-1.6A There is hereby created the Office of Personnel Management. The chief administrative officer of said Office of Personnel Management shall be the Administrator who shall be experienced in the field, theory, and application of personnel administration. The Administrator shall be appointed by the Governor with the confirmation of the Senate, and serve at the Governor's pleasure. In addition to the other duties imposed by law, the Administrator shall:

1. Be responsible for the development of an efficient and effective system of personnel administration that meets the management needs of the various agencies;

2. Effective July 1, 1995, organize the Office to provide both service and regulatory functions that are effective and efficient in meeting the management needs of various state agencies. The Administrator is directed to establish an agency service function to assist agencies with human resource needs based upon the administrative capacity and resources of the various agencies;

3. Prepare, maintain, and revise a classified system of employment designed to assure the impartial consideration of applicants for employment and to protect state employees from arbitrary dismissal or unfair treatment;

4. Develop and maintain a classification and compensation system for all classified positions in the executive branch of state government including those established by the Oklahoma Constitution;

5. Conduct an analysis of the rates of pay prevailing in the state in the public and private sectors for comparable jobs and report the findings to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives no later than December 1 of each year. Such analysis shall include all forms of compensation including fringe benefits;

6. Develop a program for the recruitment of qualified persons, including the administration of valid job-related nondiscriminatory selection procedures providing for competitive examinations when practical and for reasonable selection criteria when competitive examinations are not practical;

7. Implement state affirmative action policies, and assure equal employment opportunity;

8. Develop and implement a reasonable and expeditious method for referral of capable candidates for vacancies, probationary periods of employment, and the employment of individuals on other types of appointments as necessary;

9. Assist state agencies in implementing their duties and obligations pursuant to the Oklahoma Personnel Act, Section 840-1.1 et seq. of this title, and provide standard forms to the agencies if necessary;

10. Develop, in cooperation with appointing authorities, employee training programs, management training programs, a certified public manager program, a recruiting program, and a system of performance appraisals, and assist appointing authorities in the setting of productivity goals. The Administrator may establish and collect fees for participation in training programs. The Administrator is authorized to purchase awards for presentation to state employees as part of employee recognition activities sponsored by the Office of Personnel Management;

11. Establish leave and pay regulations, regulations for performance pay increases, rates for pay differentials, on-call pay, and other types of pay incentives and salary adjustments consistent with the Oklahoma Personnel Act;

12. Prepare and submit an annual budget covering the costs of administering the personnel program;

13. Make an annual report regarding the work of the Office of Personnel Management;

14. Adopt and implement rules necessary to perform the duties imposed by law on the Office of Personnel Management in accordance with the provisions of the Administrative Procedures Act. All rules adopted by the Oklahoma Merit Protection Commission shall remain in full force and effect until modified by the appropriate authority;

15. Assist the Oklahoma Merit Protection Commission and the Executive Director in effectuating their duties, enforcement of the rules of the Merit System of Personnel Administration, and implementation of corrective action issued by the Commission;

16. Be responsible for the development and maintenance of a uniform occupation code system, grouped by job titles or duties, for all classified, unclassified, and exempt state positions. Said responsibility shall include the establishment of rules governing the identification, tracking, and reporting of all state positions as provided in Section 840-2.13 of this title;

17. Be responsible for advising state agencies on personnel policy and administration;

18. Establish standards for continuing training, including affirmative action, and certification of personnel professionals in the executive branch of state government, excluding institutions within The Oklahoma State System of Higher Education. Employees appointed to professional personnel positions shall complete an initial training program within six (6) months after assuming the professional personnel position. Thereafter, they shall complete annual training requirements. Each appointing authority shall ensure that all professional personnel employees are notified of, and scheduled to attend, required training programs and shall make time available for employees to complete the programs. The Administrator shall be authorized to bill agencies for the training of personnel professionals pursuant to this paragraph to recover reasonable costs associated with the training. Monies received for such training shall be deposited in the Office of Personnel

Management Revolving Fund. Expenditure of such funds collected for the training shall be exempt from any expenditure limit on the Office of Personnel Management established by law; and

19. Effective on or after November 1, 1999, implement a new classification and compensation system for classified employees that converts classes into job families and salary grades into pay bands. All classified employees shall be converted into the new job families and pay bands at the time the new classification and compensation system is implemented without loss of pay or status, and shall not have the right to appeal such conversion. The Administrator of the Office of Personnel Management shall adopt rules pursuant to Section 840-4.3 of this title which shall include a process for review by the Office of Personnel Management of internal classification grievances of job family level assignments which cannot be resolved at the agency level.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 840-2.29 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The Administrator may authorize a pay differential for a position within a job family because of special duty requirements related to the position. This may include shift pay, on-call pay, data processing mission critical pay, skill-based pay adjustments, and other types of differentials based on special work requirements, as approved by the Administrator. These payments shall be over and above the employee's base pay and shall be paid only as long as the employee occupies the particular position under the circumstances which have necessitated the differential. The request for the differential shall be submitted in writing by the requesting agency and shall adequately identify the need.

B. An appointing authority shall determine whether pay differentials will be paid while employees are in paid leave status or provided only for hours actually worked. However, an employee

who is on-call shall receive a minimum of two (2) hours of pay if the employee is called to work while on-call. Appointing authorities shall apply such practices uniformly. Pay differentials shall not be provided for hours that an employee is not in pay status. Shift differential pay shall be comparable to the market and shall ensure that all state employees who work less desirable shifts are compensated fairly. The minimum shift differential pay shall be One Dollar ($1.00) per hour greater than the employee's base pay.

SECTION 3. AMENDATORY Section 29, Chapter 396, O.S.L. 1999 (56 O.S. Supp. 2000, Section 162.6), is amended to read as follows:

Section 162.6 A. In order to establish a public employee benefit program to encourage outstanding performance in the workplace, the ~~Department of Human Services~~ Administrator of the Office of Personnel Management is hereby directed to establish an on-the-job employee performance recognition program which encourages outstanding job performance and productivity.

B. In order to promote excellence in job performance and provide recognition for work units with exceptional performance, ~~the Department of Human Services is~~ state agencies are authorized to expend from monies available ~~in the Department of Human Services~~ to them operating funds so much thereof as may be necessary for the purchase of recognition awards for presentation to the members of work units or individual employees with exceptional job performance records or for other significant contributions to the operation of the ~~Department~~ agency. Recognition awards shall consist of distinctive wearing apparel, service pins, or U.S. Savings Bonds, the value of which shall not exceed One Hundred Dollars ($100.00) per employee, which recognize the achievement of the work unit or individual employees.

The purchase of recognition awards may be presented to members of work units or individual employees having exceptional job performance records or other significant contributions and for a formal ceremony or banquet where the awards may be presented.

C. Recognition awards may consist of distinctive wearing apparel, service pins, plaques, writing pens, or other distinguished awards of a value not exceeding One Hundred Fifty Dollars ($150.00) per award to recognize the achievement of the work unit or individual employee.

SECTION 4. RECODIFICATION Section 29, Chapter 396, O.S.L. 1999 (56 O.S. Supp. 2000, Section 162.6), as amended by Section 3 of this act, shall be recodified as Section 4121 of Title 74 of the Oklahoma Statutes, unless there is created a duplication in numbering.

SECTION 5. This act shall become effective November 1, 2001."

Passed the House of Representatives the 17th day of April, 2001.

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Presiding Officer of the House of Representatives

Passed the Senate the ____ day of _____, 2001.

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Presiding Officer of the Senate