

1 ENGROSSED SENATE
2 BILL NO. 670

By: Aldridge of the Senate

and

Wright (John) of the House

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5
6 An Act relating to state government; amending 62 O.S.
7 2001, Section 7.10, as last amended by Section 1,
8 Chapter 392, O.S.L. 2008 (62 O.S. Supp. 2008, Section
9 7.10), which relates to voluntary payroll deductions;
10 increasing certain membership requirement; 74 O.S.
11 2001, Section 840-1.9, as amended by Section 1,
12 Chapter 389, O.S.L. 2005, 840-2.17, as last amended
13 by Section 2, Chapter 342, O.S.L. 2007, 840-2.23, as
14 last amended by Section 10, Chapter 312, O.S.L. 2004,
15 840-2.27C, as last amended by Section 3, Chapter 342,
16 O.S.L. 2007, 840-3.4, as amended by Section 11,
17 Chapter 347, O.S.L. 2002, 840-3.5, as amended by
18 Section 12, Chapter 347, O.S.L. 2002, and 841.30, as
19 last amended by Section 4, Chapter 453, O.S.L. 2005
20 (74 O.S. Supp. 2008, Sections 840-1.9, 840-2.17, 840-
21 2.23, 840-2.27C, 840-3.4, 840-3.5 and 841-30), which
22 relate to powers and duties of the commission, salary
23 adjustments, state leave sharing program, reduction
24 in force plan, undergraduate public internship
program, rules and regulations, executive development
program for state officials, Oklahoma compensation
and unclassified positions review board; stating
certain actions be consistent with certain laws and
rules; deleting certain requirement regarding pay
movement mechanisms; deleting duplicative language;
setting out certain changes which simplify certain
calculations of the value of donated leave;
clarifying language; deleting certain requirement
within the Reduction-in-Force plan; adding certain
undergraduate internship; creating certain program
for certain state officials; updating statutory
reference; providing for codification; providing an
effective date; and declaring an emergency.

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

1 SECTION. AMENDATORY 62 O.S. 2001, Section 7.10, as last
2 amended by Section 1, Chapter 392, O.S.L. 2008 (62 O.S. Supp. 2008,
3 Section 7.10), is amended to read as follows:

4 Section 7.10 A. 1. Upon the request of a state employee, a
5 state agency, board, or commission shall make voluntary payroll
6 deductions for the employee to any credit union, bank, or savings
7 association having an office in this state.

8 2. If the governing body of any county, municipality, or school
9 district provides for voluntary payroll deductions to a credit union
10 serving the employees of the county, municipality, or school
11 district, it shall provide voluntary payroll deductions to any
12 credit union, bank, or savings association having an office in this
13 state which has a minimum participation of twenty percent (20%) of
14 the employees of the county, municipality, or school district.

15 B. Upon the request of a state employee and pursuant to
16 procedures established by the Administrator of the Office of
17 Personnel Management, a state agency, board, or commission shall
18 make payroll deductions for:

19 1. The payment of any insurance premiums due a private
20 insurance organization with a minimum participation of five hundred
21 (500) state employees for life, accident, and health insurance which
22 is supplemental to that provided for by the state;

23 2. The payment of any insurance premiums due a private
24 insurance organization or service company which is regulated by the

1 State Insurance Commissioner and with a minimum participation of
2 five hundred (500) state employees for legal services;

3 3. Premiums or payments for retirement plans with a minimum
4 participation of five hundred (500) state employees for retirement
5 plans which are supplemental to that provided for by the state;

6 4. Salary adjustment agreements included in a flexible benefits
7 plan as authorized by the State Employees Flexible Benefits Act;

8 5. Membership dues utilized for benefits, goods or services
9 provided by the Oklahoma Public Employees Association to the
10 organization's membership or any other statewide association limited
11 to state employee membership with a minimum membership of two
12 thousand (2,000) dues-paying members. For purposes of this
13 paragraph, state agencies shall accept online or electronically
14 submitted forms from the Oklahoma Public Employees Association and
15 other state employee associations. The Office of Personnel
16 Management shall develop and implement a verification process for
17 online or electronically submitted forms which may include the use
18 of electronic signature technology or other process as determined
19 appropriate;

20 6. Contributions to its foundation organized pursuant to 26
21 U.S.C., Section 501(c)(3) in the Oklahoma Public Employees
22 Association or any other statewide association limited to state
23 employee membership with a minimum membership of ~~one thousand~~
24 ~~(1,000)~~ two thousand (2,000) dues-paying members;

1 7. Payments to a college savings account administered under the
2 Oklahoma College Savings Plan Act pursuant to Section 3970.1 et seq.
3 of Title 70 of the Oklahoma Statutes; and

4 8. Subscriptions to the Oklahoma Today magazine published by
5 the State of Oklahoma through the Oklahoma Tourism and Recreation
6 Department.

7 C. The administrative costs of processing payroll deductions or
8 administering salary adjustment agreements for insurance premiums as
9 provided for in subsection B of this section shall be a charge of
10 two percent (2%) of the gross annual premiums for insurance plans.
11 The administrative costs of processing payroll deductions or
12 administering salary adjustment agreements for payments for
13 retirement plans as provided for in subsection B of this section
14 shall be one percent (1%) of the gross annual payments for
15 retirement plans. These charges shall be collected monthly from the
16 private insurance or retirement plan organization by the Office of
17 Personnel Management and shall be deposited to the credit of the
18 General Revenue Fund. Provided that these costs shall not be
19 collected from state employees or state agencies unless otherwise
20 directed in Section 1 et seq. of this title.

21 D. Any statewide association granted a payroll deduction prior
22 to January 1, 2008, shall be exempt from the minimum state employee
23 membership requirement.

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1 E. Approval of a payroll deduction or salary adjustment
2 agreement for any insurance organization, line of coverage or policy
3 shall not be construed as an assumption of liability, for the term
4 of policy or the performance of the insurance organization, by this
5 state, or any of its agencies, boards, commissions, institutions or
6 any officer or employee thereof. Contracts for such insurance shall
7 be in all respects subject to the insurance laws of this state, and
8 shall be enforceable solely pursuant to such laws.

9 F. The Oklahoma Employment Security Commission is authorized to
10 deduct from the wages or salary of its employees the employees'
11 contribution to the Oklahoma Employment Security Commission
12 Retirement Plan.

13 G. Payroll deductions shall be made for premium payments for
14 group insurance for retired members or beneficiaries of any state-
15 supported retirement system upon proper authorization given by the
16 member or beneficiary to the board from which the member or
17 beneficiary is currently receiving retirement benefits.

18 H. Upon request of instructional personnel employed at either
19 the Oklahoma School for the Blind or the Oklahoma School for the
20 Deaf and pursuant to procedures established by the Administrator of
21 the Office of Personnel Management, the Commission for
22 Rehabilitation Services shall make payroll deductions for membership
23 dues in any statewide educational employee organization or
24 association.

1 I. Upon the request of a state employee of the Department of
2 Corrections, the Department shall make voluntary payroll deductions
3 for the employee to the Correctional Peace Officer Foundation.

4 SECTION 1. AMENDATORY 74 O.S. 2001, Section 840-1.9, as
5 amended by Section 1, Chapter 389, O.S.L. 2005 (74 O.S. Supp. 2008,
6 Section 840-1.9), is amended to read as follows:

7 Section 840-1.9 In addition to any other duties expressly set
8 forth by law, the Oklahoma Merit Protection Commission shall:

9 1. Receive and act on complaints, counsel persons and groups on
10 their rights and duties and take action designed to obtain voluntary
11 compliance with the provisions of the Oklahoma Personnel Act;

12 2. Investigate allegations of violations of the provisions of
13 the Oklahoma Personnel Act within its jurisdiction;

14 3. Investigate allegations of abuses in the employment
15 practices of the Administrator of the Office of Personnel Management
16 or of any state agency;

17 4. Investigate allegations of violations of the rules of the
18 Merit System of Personnel Administration and prohibited activities
19 in the classified service;

20 5. Establish and maintain a statewide Alternative Dispute
21 Resolution Program to provide dispute resolution services for state
22 agencies and employees. Actions agreed to through the Alternative
23 Dispute Resolution Program provided by the Commission shall be
24 consistent with applicable laws and rules and shall not alter,

1 reduce, or modify any existing right or authority as provided by
2 statute or rule;

3 6. Establish rules, pursuant to the Administrative Procedures
4 Act as may be necessary to perform the duties and functions of the
5 Commission including, but not limited to, rules to monitor state
6 agency grievance processes to ensure full compliance with the law.
7 The Commission may also recommend any changes it deems necessary to
8 improve such grievance processes to the appropriate state agency;

9 7. Establish guidelines for the qualifications, duties,
10 responsibilities, authority, power, and continued employment of the
11 Executive Director, Administrative Hearing Officers, mediators, and
12 other resolution arbitrators or facilitators;

13 8. Prepare and preserve an audio tape of all proceedings of all
14 hearings conducted by the Commission and furnish transcripts of such
15 tapes upon payment of the costs of such transcripts by the party
16 requesting the transcripts;

17 9. Submit quarterly, fiscal year reports on workload statistics
18 to the Governor, the Speaker of the House of Representatives, and
19 the President Pro Tempore of the Senate containing the following
20 information:

21 a. the number of cases, complaints, and requests for
22 hearing filed, disposed of and pending with the
23 Commission for each month of the quarter,

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- b. a numerical breakdown of the methods of disposition of such cases, complaints, and requests for hearing,
- c. a numerical breakdown of mediations, prehearing conferences, and appellate hearings, conducted, and
- d. the date of the oldest pending case, complaint, and request for hearing.

Quarterly reports shall be submitted within thirty (30) days following the last day of the month of the appropriate quarter; and

10. Make all records of the Commission, except those made confidential by law, available for public inspection, copying and mechanical reproduction, or either of them, in accordance with the Oklahoma Open Records Act and charge a fee not to exceed twenty-five cents (\$0.25) per page as the direct costs of document copying or mechanical reproduction. All fees collected pursuant to the provisions of this paragraph shall be deposited in the Oklahoma Merit Protection Commission Revolving Fund.

SECTION 2. AMENDATORY 74 O.S. 2001, Section 840-2.17, as last amended by Section 2, Chapter 342, O.S.L. 2007 (74 O.S. Supp. 2008, Section 840-2.17), is amended to read as follows:

Section 840-2.17 A. Unless otherwise provided by the Oklahoma Constitution, language in law which authorizes the setting or fixing of compensation, pay or salary of state officers and employees shall not be construed to authorize any agency, board, commission, department, institution, bureau, executive officer or other entity

1 of the executive branch of state government to award, grant, give,
2 authorize, or promise any officer or employee of the State of
3 Oklahoma a raise, including, but not limited to, a cost-of-living
4 raise or any other type of raise that would be given to state
5 employees on an across-the-board basis, except as herein provided.
6 Such raises are prohibited unless authorized by the Legislature and
7 by Merit System of Personnel Administration Rules promulgated by the
8 Administrator. This prohibition applies to all classified and
9 unclassified officers and employees in the executive branch of state
10 government, excluding institutions under the administrative
11 authority of the Oklahoma State Regents for Higher Education.

12 B. However, nothing in this section shall be construed to
13 prohibit the following actions if the action is made in good faith
14 and not for the purpose of circumventing subsection A of this
15 section, and if the appointing authority certifies that the action
16 can be implemented for the current fiscal year and the subsequent
17 fiscal year without the need for additional funding to increase the
18 personal services budget of the agency:

19 1. Salary advancements on promotion or direct reclassification
20 to a job family level or class with a higher salary band;

21 2. Salary adjustments resulting from a pay band change for a
22 job family level or class adopted by the Office of Personnel
23 Management;

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- 1 3. Increases in longevity payments pursuant to Section 840-2.18
2 of this title;
- 3 4. Payment of overtime, special entrance rates, pay
4 differentials;
- 5 5. Payment of wages, salaries, or rates of pay established and
6 mandated by law;
- 7 6. Market adjustments for job family levels tied to market
8 competitiveness;
- 9 7. Intra-agency lateral transfers, provided that the adjustment
10 does not exceed five percent (5%) and the adjustment is based on the
11 needs of the agency;
- 12 8. Skill-based adjustments. Such adjustments, which are
13 implemented before November 1, 2006, other than lump-sum payments,
14 shall become permanent after twenty-four (24) months from the date
15 such salary adjustment is implemented and may not later be removed
16 from an employee's base salary if a furlough or reduction-in-force
17 is implemented by the appointing authority granting such salary
18 adjustment. Skill-based pay adjustments, which are implemented on
19 or after November 1, 2006, and which are paid to an employee, shall
20 be paid as long as the employee remains employed in the position and
21 performs the skills for which the differential is due, but shall not
22 be included as a part of the employee's base salary;
- 23 9. Equity-based adjustments;

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1 10. Performance-based adjustments for employees who received at
2 least a "meets standards" rating on their most current performance
3 rating;

4 11. Career progression increases as an employee advances
5 through job family levels; or

6 12. Salary adjustments not to exceed five percent (5%) for
7 probationary classified employees achieving permanent status
8 following the initial probationary period and permanent classified
9 employees successfully completing trial periods after intra-agency
10 lateral transfer or promotion to a different job family level or
11 following career progression to a different job family level.

12 C. Provided, however, any reclassification for one of the
13 purposes provided in subsection B of this section that would require
14 additional funding by the Legislature shall not be implemented
15 without approval of the Legislature.

16 D. The pay movement mechanisms described in paragraphs 6
17 through 11 in subsection B of this section shall be implemented
18 pursuant to rules promulgated by the Administrator of the Office of
19 Personnel Management for the classified service.

20 E. Appointing authorities may implement the pay movement
21 mechanisms in paragraphs 6 through 12 in subsection B of this
22 section subject to the availability of funds within the agency's
23 budget for the current fiscal year and subsequent fiscal year
24 without the need for additional funding to increase the personal

1 services budget of the agency. Failure by the appointing authority
2 to follow the provisions of this subsection may cause the withdrawal
3 of the use of the pay movement mechanisms provided in paragraphs 6,
4 7, 9, 10, and 11 of subsection B of this section within the agency
5 during the next appropriations cycle.

6 ~~F. All agencies, boards, and commissions shall report to the~~
7 ~~Office of Personnel Management on a fiscal year basis the pay~~
8 ~~movement mechanisms utilized in paragraphs 6 through 12 in~~
9 ~~subsection B of this section. The report shall include the pay~~
10 ~~movement mechanisms type, frequency, amounts provided, affected~~
11 ~~classifications and job families, and other information as~~
12 ~~prescribed by the Administrator of the Office of Personnel~~
13 ~~Management. Agencies shall report this information for the twelve-~~
14 ~~month period ending June 30 for classified and unclassified~~
15 ~~employees. The Office of Personnel Management shall forward the~~
16 ~~report, which will include findings and recommendations, to the~~
17 ~~Governor, President Pro Tempore of the Senate, and Speaker of the~~
18 ~~House of Representatives no later than February 1 of each year.~~

19 SECTION 3. AMENDATORY 74 O.S. 2001, Section 840-2.23, as
20 last amended by Section 10, Chapter 312, O.S.L. 2004 (74 O.S. Supp.
21 2008, Section 840-2.23), is amended to read as follows:

22 Section 840-2.23 A. There is hereby created the state leave
23 sharing program. The purpose of the state leave sharing program is
24 to permit state employees to donate annual or sick leave to a fellow

1 state employee who has exhausted, or will exhaust, all types of paid
2 leave and:

3 1. Who is eligible for and requires family leave ~~or who~~
4 pursuant to the provisions of the Family and Leave Medical Act of
5 1993, 29 U.S.C., 2601 et seq.; or

6 2. Who is suffering from or has a relative or household member
7 suffering from an extraordinary or severe illness, injury,
8 impairment, or physical or mental condition which has caused or is
9 likely to cause the employee to take leave without pay or terminate
10 employment, ~~if:~~

11 ~~a. the receiving employee has exhausted, or will exhaust,~~
12 ~~all types of paid leave due to an extraordinary or~~
13 ~~severe illness, injury, impairment, or physical or~~
14 ~~mental condition, which involves the employee, a~~
15 ~~relative of the employee or household member, and~~

16 ~~b. the condition has caused, or is likely to cause, the~~
17 ~~employee to go on leave without pay or terminate~~
18 ~~employment; or~~

19 ~~2.~~ 3. Immediately after the death of a relative or household
20 member, provided that the total leave received for this purpose
21 shall not exceed five (5) days in any calendar year; or

22 ~~3.~~ 4. Who is affected by a presidentially declared national
23 disaster in Oklahoma after May 1, 1999, for a period of eighteen
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1 (18) months after the date of the presidentially declared national
2 disaster if:

- 3 a. the employee suffered a physical injury as a result of
4 the disaster,
- 5 b. the spouse, relative, or household member of the
6 employee suffered a physical injury or died as a
7 result of the disaster, or
- 8 c. the domicile of the employee or the home of a relative
9 of the employee was damaged or destroyed as a result
10 of the disaster.

11 B. As used in this section:

12 1. "Relative of the employee" shall be limited to the spouse,
13 child, stepchild, grandchild, grandparent, stepparent, or parent of
14 the employee;

15 2. "Household members" means those persons who reside in the
16 same home, who have reciprocal duties to and do provide financial
17 support for one another. This term shall include foster children
18 and legal wards even if they do not live in the household. The term
19 does not include persons sharing the same general house, when the
20 living style is primarily that of a dormitory or commune;

21 3. "Severe" or "extraordinary" means extreme or life
22 threatening;

23 4. "State employee" means a permanent classified employee or a
24 regular unclassified employee with one (1) year or more continuous

1 service with the state. The term "state employee" does not include
2 classified employees in probationary status or unclassified
3 employees on temporary or other limited term appointments, except
4 that those employees are eligible to receive shared leave as
5 provided in paragraph 4 of subsection A of this section and the
6 leave with pay authorized by Section 840-2.23A of this title related
7 to a presidentially declared national disaster; and

8 5. "Terminal" means likely to result in death within two (2)
9 calendar years.

10 C. An employee may be eligible to receive shared leave pursuant
11 to the following conditions:

12 1. The chief administrative officer of the employee determines
13 that the employee meets the criteria described in this section; and

14 2. The employee has abided by state policies regarding the use
15 of leave.

16 D. An employee may not donate annual or sick leave to an
17 eligible employee without the permission of the chief administrative
18 officer of the donating employee's agency.

19 E. An employee may donate annual or sick leave to another
20 employee provided the donation does not cause the annual leave
21 balance of the employee to fall below eighty (80) hours and provided
22 the donation does not cause the sick leave balance of the employee
23 to fall below eighty (80) hours.

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1 F. Except as otherwise provided for in this subsection, the
2 chief administrative officer of the employee shall determine the
3 amount of donated leave an employee may receive and may authorize an
4 employee to use up to a maximum of two hundred sixty-one (261) days
5 of donated leave during total state employment. ~~An employee may~~
6 ~~receive and use up to a maximum of three hundred sixty five (365)~~
7 ~~days of donated leave during total state employment, if~~ If the
8 employee is suffering from an illness which has been certified in
9 writing by a licensed physician or health care practitioner as being
10 terminal. ~~However, upon written request by~~ and the employee who
11 either has reached or shall reach in the near future a the maximum
12 amount as set out in this subsection, the chief administrative
13 officer of the employee may approve additional donated leave ~~as~~
14 ~~requested by the employee~~ upon written request of the employee.

15 G. The chief administrative officer of the employee shall
16 require the employee to submit, prior to approval or disapproval of
17 shared leave pursuant to paragraph 1 of subsection A of this
18 section, a medical certificate from a licensed physician or health
19 care practitioner verifying the need for the leave and expected
20 duration of the illness, injury, impairment, or physical or mental
21 condition for which the leave is donated.

22 H. Donated annual or sick leave is transferable between
23 employees in different state entities with the agreement of both
24 chief administrative officers of the entities.

1 I. ~~The receiving employee shall be paid his or her regular rate~~
2 ~~of pay; therefore, one hour of donated leave may cover more or less~~
3 ~~than one hour of the salary of the recipient. The calculation of~~
4 ~~the leave value of the recipient shall be in accordance with Office~~
5 ~~of Personnel Management policies, regulations, and procedures. The~~
6 ~~dollar value of the leave is converted from the donor to the~~
7 ~~recipient. The leave received will be designated as donated leave~~
8 ~~and be maintained separately from all other leave balances~~ Donated
9 annual or sick leave is transferable between employees on an hour-
10 to-hour basis irrespective of the hourly wage of the donating or
11 receiving employee.

12 J. Any donated leave may only be used by the recipient for the
13 purposes specified in this section.

14 K. All forms of paid leave available for use by the recipient
15 must be used prior to using donated leave.

16 L. Any donated leave not used by the recipient during each
17 occurrence as determined by the chief administrative officer of the
18 employee shall be returned to the donor. The donated leave
19 remaining will be divided among the donors on a prorated basis based
20 on the original donated value and returned at its original donor
21 value and reinstated to the original leave balance of each donor.

22 M. All donated leave must be given voluntarily. No employee
23 shall be coerced, threatened, intimidated, or financially induced
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1 into donating annual or sick leave for purposes of the leave sharing
2 program.

3 N. Employees may not donate excess annual or sick leave that
4 the donor would not be able to otherwise take.

5 SECTION 4. AMENDATORY 74 O.S. 2001, Section 840-2.27C,
6 as last amended by Section 3, Chapter 342, O.S.L. 2007 (74 O.S.
7 Supp. 2008, Section 840-2.27C), is amended to read as follows:

8 Section 840-2.27C A. At least sixty (60) days before the
9 scheduled beginning of reduction-in-force separations or as
10 otherwise provided by law, the appointing authority shall post in
11 each office of executive branch agencies affected by the proposed
12 reduction-in-force notice that a reduction-in-force will be
13 conducted in accordance with the Oklahoma Personnel Act and Merit
14 rules. The reduction-in-force implementation plan shall be provided
15 to the Director of State Finance and any state employee association
16 representing state employees at such time. The notice shall not be
17 posted unless approved by the cabinet secretary for the agency
18 conducting the reduction-in-force. If there is no incumbent cabinet
19 secretary for the agency, the cabinet-secretary-notice-approval
20 requirement shall not be applicable. The approved notice shall be
21 posted in each office affected by the proposed plan for five (5)
22 days. The appointing authority shall provide a copy of the notice
23 to the Administrator. A reduction-in-force shall not be used as a
24 disciplinary action.

1 B. The reduction-in-force implementation plan and subsequent
2 personnel transactions directly related to the reduction-in-force in
3 executive branch agencies shall be in compliance with rules adopted
4 by the Administrator. The reduction-in-force implementation plan,
5 including the description of and reasons for displacement limits and
6 protections from displacement actions, and severance benefits that
7 will be offered pursuant to Section 840-2.27D of this title shall be
8 posted in each office affected by the plan within five (5) business
9 days after posting of the reduction-in-force notice. The reduction-
10 in-force implementation plan shall:

11 1. Provide for the appointing authority to determine the
12 specific position or positions to be abolished within specified
13 units, divisions, facilities, agency-wide or any parts thereof;

14 2. Provide for retention of affected employees based on type of
15 appointment;

16 3. Require the separation of probationary classified affected
17 employees in affected job family levels, except those affected
18 employees on probationary status after reinstatement from permanent
19 classified status without a break in service, prior to the
20 separation or displacement of any permanent classified affected
21 employee in an affected job family level;

22 4. Provide for retention of permanent classified affected
23 employees in affected job family levels and those affected employees
24 on probationary status after reinstatement from permanent classified

1 status without a break in service based upon consideration of years
2 of service;

3 5. Provide for exercise of displacement opportunities by
4 permanent classified affected employees and those affected employees
5 on probationary status after reinstatement from permanent classified
6 status without a break in service if any displacement opportunities
7 exist; and

8 6. Provide outplacement assistance and employment counseling
9 from the Oklahoma Employment Security Commission and any other
10 outplacement assistance and employment counseling made available by
11 the agency to affected employees regarding the options available
12 pursuant to the State Government Reduction-in-Force and Severance
13 Benefits Act prior to the date that a reduction-in-force is
14 implemented.

15 C. If an agency implements a reduction-in-force then it shall
16 give a veteran's preference over affected nonveterans who have equal
17 retention points to the affected veteran.

18 D. The Director of the Office of State Finance shall review the
19 fiscal components of the reduction-in-force implementation plan and
20 within five (5) business days of receipt reject any plan that does
21 not:

22 1. Demonstrate that funds are available to cover projected
23 costs;

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1 2. Contain an estimate of the number of affected employees
2 likely to participate in the education voucher program established
3 in Section 840-2.27D of this title; and

4 3. Contain an estimate of the cost savings or reduced
5 expenditures likely to be achieved by the agency.

6 If the reduction-in-force is conducted pursuant to a
7 reorganization, the fiscal components of the reduction-in-force
8 implementation plan shall contain reasons for the reorganization,
9 which may include, but not be limited to, increased efficiency,
10 improved service delivery, or enhanced quality of service.

11 E. The appointing authority may limit displacement of affected
12 employees at the time of a reduction-in-force. Displacement limits
13 shall not be subject to the approval of the Administrator. Any
14 limitation shall be based upon reasonable, written, articulated
15 criteria as certified by the appointing authority. If displacement
16 is limited, the appointing authority shall take action to avoid or
17 minimize any adverse impact on minorities or women.

18 1. The appointing authority may protect from displacement
19 action up to twenty percent (20%) of projected post-reduction-in-
20 force employees in affected positions within displacement limits;
21 provided, that any fractional number resulting from the final
22 mathematical calculation of the number of those positions shall be
23 rounded to the next higher whole number. The appointing authority
24 must explain why affected employees are being protected.

1 2. If the affected employee has not held within the last five
2 (5) years a position in the job family level or predecessor class in
3 which the affected employee is otherwise eligible for a displacement
4 opportunity, the appointing authority may determine that the
5 affected employee does not possess the recent relevant experience
6 for the position and deny in writing the displacement opportunity.

7 3. An affected permanent classified employee may exercise a
8 displacement privilege, if one exists, if the affected employee has
9 received an overall rating of at least "meets standards", or its
10 equivalent, on the most recent annual service rating. If an
11 affected employee has not been rated in accordance with the time
12 limits established in Section 840-4.17 of this title, the employee
13 shall be deemed to have received an overall rating of at least
14 "meets standards" or its equivalent on the most recent service
15 rating.

16 4. An affected employee who exercises a displacement privilege
17 pursuant to this section shall:

18 a. be required, as a condition of continued employment by
19 the agency, to sign an agreement, in a form to be
20 prescribed by the Administrator of the Office of
21 Personnel Management, acknowledging that the employee
22 had an opportunity to receive severance benefits and
23 affirmatively elected to exercise a displacement
24 privilege and to forego such benefits. An affected

1 employee who signs the agreement required by this
2 subparagraph waives any privilege which might
3 otherwise have been available to the affected employee
4 pursuant to the agreement for the provision of
5 severance benefits, and

6 b. not have the right to exercise any subsequent right to
7 receive severance benefits from the agency for which
8 the affected employee performs services on the date
9 that the employee exercises a displacement privilege.
10 The provisions of this section shall not prohibit any
11 person from exercising a displacement privilege in, or
12 accepting severance benefits from, more than one
13 agency during employment with the State of Oklahoma or
14 from the agency which the affected employee exercised
15 a displacement privilege in any future reduction-in-
16 force.

17 F. An affected employee who does not agree pursuant to Section
18 840-2.27E of this title to accept severance benefits and who does
19 not have a displacement opportunity or does not accept a
20 displacement opportunity shall be separated by the reduction-in-
21 force and shall not receive any severance benefits that would have
22 otherwise been provided pursuant to Section 840-2.27D of this title.

23 G. Permanent classified affected employees and those affected
24 employees on probationary status after reinstatement from permanent

1 classified status without a break in service who were removed from a
2 job family level by taking a position in another job family level
3 through displacement or separated after foregoing severance benefits
4 shall be recalled by the agency to the job family level from which
5 they were removed in inverse order of removal before the agency may
6 appoint other persons to the job family level, from the employment
7 register, by internal action or from Priority Reemployment
8 Consideration Rosters as provided by this section. Upon declination
9 of an offer of reappointment to the job family level from which the
10 employee was removed or eighteen (18) months after the date of
11 removal from the job family level, whichever is first, this right to
12 be recalled shall expire.

13 H. The names of permanent classified affected employees and
14 those affected employees on probationary status after reinstatement
15 from permanent classified status without a break in service who have
16 been separated pursuant to the State Government Reduction-in-Force
17 and Severance Benefits Act, who apply and meet all requirements for
18 state jobs in the classified service shall be placed on Priority
19 Reemployment Consideration Rosters ~~in accordance with their~~
20 ~~individual final earned ratings~~ for a maximum of eighteen (18)
21 months after the date of separation. Before any vacant position is
22 filled by any individual eligible for initial appointment from the
23 employment register, individuals on the Priority Reemployment
24 Consideration Rosters shall be given priority consideration for

1 reemployment by any state agency within eighteen (18) months after
2 the date of the reduction-in-force. Upon declination of an offer of
3 reemployment to a job family level having the same or higher pay
4 band than the job family level from which the employee was removed,
5 or eighteen (18) months after the date of separation, whichever is
6 first, this priority consideration for reemployment shall expire.
7 If an agency has posted a reduction-in-force plan and implementation
8 schedule, all affected employees in positions covered by the plan
9 and any within the displacement limits established by the appointing
10 authority of the agency who have been separated shall be eligible
11 for priority reemployment consideration.

12 I. If an agency or any part thereof is scheduled to be closed
13 or abolished as a result of legislation or a court order, the
14 affected employees, who would be eligible for Priority Reemployment
15 Consideration after their separation in accordance with subsection H
16 of this section, may apply and, if qualified and eligible, shall be
17 accorded Priority Reemployment Consideration not to exceed twelve
18 (12) months before the scheduled date of separation. If an agency
19 has posted a reduction-in-force plan and implementation schedule,
20 all affected employees in positions covered by the plan and any
21 within the displacement limits established by the appointing
22 authority of the agency shall be eligible for Priority Reemployment
23 Consideration beginning with the date the schedule is posted, not to
24 exceed twelve (12) months before the scheduled date of separation.

1 J. When the Legislature is not in session, the Contingency
2 Review Board may, upon the request of the Governor, direct agencies,
3 boards and commissions to reduce the number of employees working for
4 the agency, board or commission whenever it is deemed necessary and
5 proper. Such reduction shall be made pursuant to reduction-in-force
6 plans as provided in this section.

7 K. 1. When the Legislature is not in session, the Contingency
8 Review Board may, upon the request of the Governor, direct and
9 require mandatory furloughs for all state employees whenever it is
10 deemed necessary and proper. The Contingency Review Board shall
11 specify the effective dates for furloughs and shall note any
12 exceptions to state employees affected by same. All classified,
13 unclassified, exempt or nonmerit employees, including those
14 employees of agencies or offices established by statute or the
15 Constitution, shall be affected by such actions.

16 2. Mandatory furlough means the involuntary temporary reduction
17 of work hours or the placement of an employee on involuntary leave
18 without pay. Rules governing leave, longevity pay and participation
19 in the State Employees Group Health, Dental, Disability, and Life
20 Insurance program shall not be affected by mandatory furloughs.
21 Furlough, as provided for in this section or by rules adopted by the
22 Administrator of the Office of Personnel Management, shall not be
23 appealable under the provisions of the Oklahoma Personnel Act.

24

1 3. Notwithstanding existing laws or provisions to the contrary,
2 members of state boards and commissions shall not receive per diem
3 expenses during periods of mandatory furlough. The Contingency
4 Review Board shall additionally call upon elected officials, members
5 of the judiciary, and other public officers whose salary or
6 emoluments cannot be altered during current terms of office, to
7 voluntarily donate to the General Revenue Fund any portion of their
8 salary which would otherwise have been affected by a mandatory
9 furlough.

10 L. All agencies directed by the Contingency Review Board to
11 terminate or furlough employees, shall report the cumulative cost
12 savings achieved by the reductions-in-force or furloughs to the
13 Governor, President Pro Tempore of the Senate and Speaker of the
14 House of Representatives on a quarterly basis for one (1) year
15 following the effective date of the action.

16 M. The appointing authority of an agency which has an approved
17 reduction-in-force plan pursuant to the State Government Reduction-
18 in-Force and Severance Benefits Act may request the Administrator of
19 the Office of Personnel Management to appoint an interagency
20 advisory task force for the purpose of assisting the agency and its
21 employees with the implementation of the reduction-in-force. The
22 appointing authority of state agencies requested by the
23 Administrator to participate on a task force shall assign
24 appropriate administrative personnel necessary to facilitate the

1 necessary assistance required for the efficient implementation of
2 the approved reduction-in-force.

3 SECTION 5. AMENDATORY 74 O.S. 2001, Section 840-3.4, as
4 amended by Section 11, Chapter 347, O.S.L. 2002 (74 O.S. Supp. 2008,
5 Section 840-3.4), is amended to read as follows:

6 Section 840-3.4 A. The Carl Albert Public Internship Program
7 shall consist of ~~two~~ three individual internship programs:

8 1. An Undergraduate Internship Program consisting of a
9 temporary position for students enrolled in an institution of higher
10 education and working toward an undergraduate degree; ~~and~~

11 2. A Senior Undergraduate Internship Program consisting of a
12 job placement of up to twenty-four (24) months for students enrolled
13 in an institution of higher education with ninety (90) semester
14 hours or more of completed coursework towards a bachelor's degree.
15 To remain in the Senior Internship a student must continue to be
16 working toward an undergraduate degree at an institution of higher
17 education with at least a two point five (2.5) grade point average
18 calculated on a four point zero (4.0) scale in all undergraduate
19 coursework. The intern occupying this position shall not be
20 converted to the classified service upon graduation or completion of
21 the internship; and

22 3. An Executive Fellows Program consisting of six-month to two-
23 year placements in professional or managerial level positions for
24 students who have:

- 1 a. successfully completed a baccalaureate degree and at
2 least six (6) semester hours of approved graduate
3 level work with at least a three point zero (3.0)
4 grade point average calculated on a four point zero
5 (4.0) scale in all graduate coursework,
6 b. demonstrated a substantial interest in public sector
7 management,
8 c. been recommended by the institution of higher
9 education at which they are enrolled, and
10 d. such additional requirements as determined by the
11 Office of Personnel Management.

12 B. Employing agencies shall rate the performance of
13 participants in the Executive Fellows Program in accordance with
14 Section 840-4.17 of this title.

15 C. State employees, who otherwise meet the qualifications of
16 the program, shall be eligible to participate in the Carl Albert
17 Public Internship Program upon the written recommendation of the
18 chief administrative officer of the applicant's agency.

19 SECTION 6. AMENDATORY 74 O.S. 2001, Section 840-3.5, as
20 amended by Section 12, Chapter 347, O.S.L. 2002 (74 O.S. Supp. 2008,
21 Section 840-3.5), is amended to read as follows:

22 Section 840-3.5 The Office of Personnel Management shall
23 promulgate rules to provide that:
24

1 1. Upon successful completion of a two-year internship in the
2 Executive Fellows Program, a participant who has met all
3 requirements of education and experience shall be eligible for
4 appointment to a position in the classified or unclassified service
5 of the state and shall be deemed as meeting all other statutory
6 requirements;

7 2. Persons leaving classified or unclassified positions in
8 state government in order to take an internship shall:

9 a. have the right to return to the previous position at
10 any time during the internship or upon completion of
11 the internship, and

12 b. continue to receive all fringe benefits they would
13 have received in their previous classified or
14 unclassified positions;

15 3. Participants in the Undergraduate Internship Program who
16 were not public employees prior to accepting a position in the
17 program shall be employed in accordance with paragraph 8 of
18 subsection A of Section 840-5.5 of this title;

19 4. Participants in the Senior Undergraduate Internship Program
20 who were not public employees prior to accepting a position in the
21 program shall be employed in accordance with paragraph 10 of
22 subsection A of Section 840.5.5 of this title, except that they
23 shall be granted leave benefits commensurate with regular state
24 employees;

1 5. Participants in the Executive Fellows Program who were not
2 public employees prior to accepting a position in the program shall
3 be appointed in accordance with paragraph 10 of subsection A of
4 Section 840-5.5 of this title, except that they shall be granted
5 leave benefits commensurate with regular state employees;

6 ~~5.~~ 6. Selection of interns shall be coordinated by the Office
7 of Personnel Management, but shall permit appropriate involvement by
8 institutions of higher education and state agencies in order to
9 ensure the integrity of the program, permit the appropriate match
10 between interns and agency assignments, and to benefit the employing
11 agency;

12 ~~6.~~ 7. The Administrator of the Office of Personnel Management
13 may waive the completion of six (6) semester hours of approved
14 graduate level work required by Section 840-3.4 of this title for
15 participation in the Executive Fellows Program for an undergraduate
16 intern enrolled in six (6) semester hours of approved graduate level
17 work and currently employed by a state agency;

18 ~~7.~~ 8. Establish compensation plans for interns; and

19 ~~8.~~ 9. Empower the Office of Personnel Management to intercede
20 in an internship when the Office determines, at the request of the
21 intern, the agency, or the institution of higher education at which
22 the intern is enrolled, that an internship is not functioning in
23 accordance with guidelines established for the program and that are
24 necessary for the efficiency and integrity of the program.

1 SECTION 7. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 840-3.16 of Title 74, unless
3 there is created a duplication in numbering, reads as follows:

4 A. There is hereby created the Executive Development Program
5 for State Officials within the Office of Personnel Management. The
6 Program shall be administered by the Administrator of the Office of
7 Personnel Management. The purpose of the Executive Development
8 Program for State Officials is to enhance the leadership skills of
9 program participants. This program is designed for cabinet
10 secretaries, agency directors, and senior-level executives within
11 Oklahoma state agencies.

12 B. The Administrator of the Office of Personnel Management may
13 adopt rules necessary to implement the Executive Development Program
14 for State Officials. The Administrator may establish and collect
15 fees for participation in the Program.

16 SECTION 8. AMENDATORY 74 O.S. 2001, Section 841.30, as
17 last amended by Section 4, Chapter 453, O.S.L. 2005 (74 O.S. Supp.
18 2008, Section 841-30), is amended to read as follows:

19 Section 841-30 A. There is hereby created the Oklahoma
20 Compensation and Unclassified Positions Review Board.

21 B. The Oklahoma Compensation and Unclassified Positions Review
22 Board shall be composed of the following seven (7) members:

23 1. Two members of the Oklahoma Senate appointed by the
24 President Pro Tempore of the Senate;

1 2. Two members of the Oklahoma House of Representatives
2 appointed by the Speaker of the House of Representatives;

3 3. Two members appointed by the Governor, one to be from a
4 state agency with five hundred (500) or more employees and the other
5 to be from a state agency with fewer than five hundred (500)
6 employees; and

7 4. The chief executive officer of the largest organization in
8 the state that represents state employees, or a designee.

9 C. After the initial appointments, the members shall serve
10 four-year terms, and the appointing authorities may fill any
11 vacancies as they occur. The term of the members appointed by the
12 President Pro Tempore of the Senate shall expire July 1, 2004. The
13 term of the members appointed by the Speaker of the House of
14 Representatives shall expire July 1, 2005. The term of the members
15 appointed by the Governor shall expire July 1, 2006. The term of
16 the members appointed by the largest organization in the state that
17 represents state employees shall expire July 1, 2007.

18 D. The Board shall elect one of its members as chair.

19 E. The Board shall review the study of the Office of Personnel
20 Management, as required by paragraph ~~20~~ 19 of Section 840-1.6A of
21 this title, and make recommendations which may include compensation
22 adjustments, pay band adjustments, targeted salary increases, and
23 other recommendations related to turnover, fringe benefits and other
24 compensation issues concerning state employees, but excluding

1 retirement issues. The recommendations shall be made to the
2 President Pro Tempore of the Senate, Speaker of the House of
3 Representatives, and Governor on or before February 1 of the year
4 following each biennial meeting.

5 F. The Board shall meet in December 2005 and in December of
6 every odd-numbered year thereafter to consider compensation
7 recommendations. The Board shall meet every year to consider
8 unclassified positions recommendations. Any additional meetings
9 shall be at the call of the chair.

10 G. The Board shall review and make recommendations concerning
11 the unclassified service as follows:

12 1. State agencies subject to the provisions of the Merit System
13 of Personnel Administration shall submit requests to the
14 Administrator of the Office of Personnel Management for
15 authorizations for unclassified positions and employees that are in
16 addition to unclassified positions already authorized by law. The
17 Administrator shall forward the requests to the Board. The
18 Administrator shall review, analyze, and provide recommendations to
19 the Board regarding the requests. The Board shall meet in December
20 of each year and shall review any agency proposals to add
21 unclassified positions to the state service. A representative from
22 each appointing authority of a state agency that desires to add
23 unclassified positions shall attend the meeting and present the
24 proposal of the agency. The Board shall also review positions

1 currently in the unclassified service. The Administrator of the
2 Office of Personnel Management shall review and analyze such
3 positions and provide recommendations to the Board. The Board may
4 request the presence of state agency representatives to provide
5 information concerning such positions.

6 2. On or before February 1 of each year, the Board shall
7 present any recommendations to the President Pro Tempore of the
8 State Senate and the Speaker of the Oklahoma House of
9 ~~Representatives and the President Pro Tempore of the State Senate~~
10 concerning current positions in the unclassified service and agency
11 proposals to add unclassified positions.

12 3. The Board may also meet during the regular session of the
13 Legislature to consider any additional requests to add unclassified
14 positions to the state service submitted pursuant to this
15 subsection.

16 H. A majority of the members of the Board shall constitute a
17 quorum for the transaction of business. Each Board member shall be
18 entitled to one vote on the Board. Any official action of the Board
19 must have a majority of the votes of the members present.

20 I. Each member of the Board shall serve without compensation
21 except that each legislative member of the Board shall receive
22 reimbursement for travel expenses in accordance with Section 456 of
23 this title and each nonlegislative member of the Board shall receive
24

1 reimbursement for travel expenses in accordance with the State
2 Travel Reimbursement Act by the Office of Personnel Management.

3 J. Staffing for the Board shall be composed of the Office of
4 Personnel Management, Oklahoma Senate staff, and Oklahoma House of
5 Representatives staff as needed.

6 SECTION 9. This act shall become effective July 1, 2009.

7 SECTION 10. It being immediately necessary for the preservation
8 of the public peace, health and safety, an emergency is hereby
9 declared to exist, by reason whereof this act shall take effect and
10 be in full force from and after its passage and approval.

11 Passed the Senate the 3rd day of March, 2009.

12

13

Presiding Officer of the Senate

14

15 Passed the House of Representatives the ____ day of _____,
16 2009.

17

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Presiding Officer of the House
of Representatives

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