ENGROSSED SENATE AMENDMENT
TO
ENGROSSED HOUSE
BILL NO. 1044 By: Walker of the House

and

Treat of the Senate

An Act relating to state employees; establishing a state employee suggestion program; stating purpose; providing for financial rewards; stating limitation for certain payments; authorizing the Office of Management and Enterprise Services to promulgate rules; amending 74 O.S. 2011, Sections 4111, 4115A and 4119, as amended by Section 1016, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Section 4119), which relate to the Incentive Awards for State Employees Act; clarifying language; transferring certain duties relating to administration of the Incentive Awards for State Employees program to the Office of Management and Enterprise Services; removing certain duties from the Committee for Incentive Awards for State Employees; repealing 74 O.S. 2011, Sections 4112, as amended by Section 1015, Chapter 304, O.S.L. 2012, 4116, 4117, 4118 and 4120, as amended by Section 1017, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Sections 4112 and 4120), which relate to the Incentive Awards for State Employees program; providing for codification; providing an effective date; and declaring an emergency.

AMENDMENT NO. 1. Page 1, substitute the following for the title, enacting clause and the entire body of the bill:

"An Act relating to state employees; establishing a state employee suggestion program; stating purpose; providing for financial rewards; stating limitation for certain payments; authorizing the Office of Management and Enterprise Services to promulgate rules; amending 74 O.S. 2011, Sections 4111, 4115A

and 4119, as amended by Section 1016, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Section 4119), which relate to the Incentive Awards for State Employees Act; clarifying language; transferring certain duties relating to administration of the Incentive Awards for State Employees program to the Office of Management and Enterprise Services; removing certain duties from the Committee for Incentive Awards for State Employees; repealing 74 O.S. 2011, Sections 4112, as amended by Section 1015, Chapter 304, O.S.L. 2012, 4116, 4117, 4118 and 4120, as amended by Section 1017, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Sections 4112 and 4120), which relate to the Incentive Awards for State Employees program; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1604 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Every state agency employing more than ten full-time-equivalent employees may develop a State Employee Suggestion Program. The purpose of the program shall be to promote efficiency and effectiveness of state governmental operations by providing economic incentives to employees who make suggestions which result in direct cost savings.

B. A state agency which implements a suggestion made by an employee which results in direct cost savings to the agency of Five Thousand Dollars ($5,000.00) or more may financially reward the employee. The amount of any such award shall not exceed twenty percent (20%) of the cost savings to the agency. No state employee

shall be eligible to receive more than one award payment in any single fiscal year. Each agency shall be responsible for implementing a State Employee Suggestion Program as it deems appropriate in accordance with the provisions of this section.

C. Suggestions pertaining to the following areas shall not be eligible for awards: grievances; classification and pay; matters already recommended for study, review or summary; matters which are the result of assigned or contracted audits, budget and fiscal preparations studies, surveys, reviews or research; matters requiring the enactment of legislation; and a suggester who applies for patent rights to his or her suggestion is not eligible for an award.

D. The Office of Management and Enterprise Services shall promulgate rules and establish policies as necessary to implement the State Employee Suggestion Program.

SECTION 2. AMENDATORY 74 O.S. 2011, Section 4111, is amended to read as follows:

Section 4111. Sections ~~1~~ 4111 through ~~10~~ 4122 of this ~~act~~ title shall be known and may be cited as the "Incentive Awards for State Employees Act".

SECTION 3. 74 O.S. 2011, Section 4115A, is amended to read as follows:

Section 4115A. Pursuant to rules ~~and regulations~~ promulgated by the ~~Committee for Incentive Awards for State Employees~~ Office of

Management and Enterprise Services, state employees shall be recognized for their length of service to the state. Recognition shall consist of certificates and lapel pins. The longevity award shall be made at five-year intervals during the month following the anniversary date of the employee to recognize years of service as defined in Section ~~805.2~~ 840-2.18 of ~~Title 74 of the Oklahoma Statutes~~ this title. The cost of the incentive award shall be billed to the employing agency.

SECTION 4. AMENDATORY 74 O.S. 2011, Section 4119, as amended by Section 1016, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Section 4119), is amended to read as follows:

Section 4119. ~~At the conclusion of the eligible fiscal year, subject to the rules and regulations promulgated by the Committee, the Committee shall compare the unit dollar expenditures for that year of each agency, department, commission, office, or defined work unit or work teams against the base year data and, after making such adjustments as in the judgment of the Committee are required to eliminate distortions, shall determine the amount, if any, that the agency, department, commission, office, or defined work unit or work teams has reduced its unit dollar cost of operations or increased its level of services in the eligible fiscal year. Adjustments to eliminate distortions may include any legislative increases in employee compensation and inflationary increases in the cost of services, materials, or supplies. If the Committee shall determine~~

~~an agency, department, commission, or office qualifies for award, it may award, after consultation with the Office of Management and Enterprise Services, to the employees of that agency, department, commission, office, defined work unit or work teams a sum not in excess of twenty-five percent (25%) of the amount determined to be the total unit dollar savings to the state for the level of services rendered.~~ Incentive pay awards provided pursuant to the provisions of the Incentive Awards for State Employees Act shall be exempt from retirement contributions and shall not be included for the purpose of computing a retirement allowance pursuant to any public retirement system of this state. ~~The amount awarded shall be divided and distributed in equal shares to the employees of the agency, department, commission, office, defined work unit or work teams except that employees who have worked for the agency, department, commission, office, defined work unit or work teams less than the full twelve (12) months of the fiscal year shall receive only a pro rata share based on the fraction of the year said employees have worked for that agency, department, commission, office, defined work unit or work teams. Employees voluntarily leaving the employment of state government or employees dismissed for cause shall forfeit their share.~~ Funds for this incentive pay shall be drawn from the operating expenses of the agency, department, commission, or office for the eligible fiscal year. ~~No nominations for a unit incentive compensation award shall be made~~

~~until the nominating agency, department, commission, or office assures that funds for said award are available. Funds for the payment of unit incentive compensation awards shall be considered encumbered to the extent said awards are approved by the Committee.~~

SECTION 5. REPEALER 74 O.S. 2011, Sections 4112, as amended by Section 1015, Chapter 304, O.S.L. 2012, 4113, 4116, 4117, 4118 and 4120, as amended by Section 1017, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Sections 4112 and 4120), are hereby repealed.

SECTION 6. This act shall become effective July 1, 2015.

SECTION 7. 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 Senate the 22nd day of April, 2015.

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Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____, 2015.

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Presiding Officer of the House of Representatives

ENGROSSED HOUSE
BILL NO. 1044 By: Walker of the House

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B. A state agency which implements a suggestion made by an employee which results in direct cost savings to the agency may financially reward the employee. The amount of any such award shall be in accordance with rules promulgated by the Office of Management and Enterprise Services. No state employee shall be eligible to receive more than one award payment in any single fiscal year. Each agency shall be responsible for implementing a State Employee Suggestion Program as it deems appropriate in accordance with the provisions of this section.

C. The Office of Management and Enterprise Services shall promulgate rules and establish policies as necessary to implement the State Employee Suggestion Program.

SECTION 2. AMENDATORY 74 O.S. 2011, Section 4111, is amended to read as follows:

Section 4111. Sections ~~1~~ 4111 through ~~10~~ 4122 of this ~~act~~ title shall be known and may be cited as the "Incentive Awards for State Employees Act".

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Section 4115A. Pursuant to rules ~~and regulations~~ promulgated by the ~~Committee for Incentive Awards for State Employees~~ Office of Management and Enterprise Services, state employees shall be recognized for their length of service to the state. Recognition shall consist of certificates and lapel pins. The longevity award shall be made at five-year intervals during the month following the anniversary date of the employee to recognize years of service as defined in Section ~~805.2~~ 840-2.18 of ~~Title 74 of the Oklahoma Statutes~~ this title. The cost of the incentive award shall be billed to the employing agency.

SECTION 4. AMENDATORY 74 O.S. 2011, Section 4119, as amended by Section 1016, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Section 4119), is amended to read as follows:

Section 4119. ~~At the conclusion of the eligible fiscal year, subject to the rules and regulations promulgated by the Committee, the Committee shall compare the unit dollar expenditures for that year of each agency, department, commission, office, or defined work unit or work teams against the base year data and, after making such adjustments as in the judgment of the Committee are required to eliminate distortions, shall determine the amount, if any, that the agency, department, commission, office, or defined work unit or work teams has reduced its unit dollar cost of operations or increased~~

~~its level of services in the eligible fiscal year. Adjustments to eliminate distortions may include any legislative increases in employee compensation and inflationary increases in the cost of services, materials, or supplies. If the Committee shall determine an agency, department, commission, or office qualifies for award, it may award, after consultation with the Office of Management and Enterprise Services, to the employees of that agency, department, commission, office, defined work unit or work teams a sum not in excess of twenty-five percent (25%) of the amount determined to be the total unit dollar savings to the state for the level of services rendered.~~ Incentive pay awards provided pursuant to the provisions of the Incentive Awards for State Employees Act shall be exempt from retirement contributions and shall not be included for the purpose of computing a retirement allowance pursuant to any public retirement system of this state. ~~The amount awarded shall be divided and distributed in equal shares to the employees of the agency, department, commission, office, defined work unit or work teams except that employees who have worked for the agency, department, commission, office, defined work unit or work teams less than the full twelve (12) months of the fiscal year shall receive only a pro rata share based on the fraction of the year said employees have worked for that agency, department, commission, office, defined work unit or work teams. Employees voluntarily leaving the employment of state government or employees dismissed~~

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SECTION 5. REPEALER 74 O.S. 2011, Sections 4112, as amended by Section 1015, Chapter 304, O.S.L. 2012, 4116, 4117, 4118 and 4120, as amended by Section 1017, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Sections 4112 and 4120), are hereby repealed.

SECTION 6. This act shall become effective July 1, 2015.

SECTION 7. 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 3rd day of March, 2015.

_____
Presiding Officer of the House
of Representatives

Passed the Senate the ___ day of _____, 2015.

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Presiding Officer of the Senate