### **BILL SUMMARY**

1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

Bill No.: HB 1146
Version: FA1-Floor Substitute
Request Number: 7868
Author: Rep. Osburn
Date: 3/8/2021
Impact: See Analysis Below

# **Research Analysis**

The Floor Substitute for HB 1146 places all state employee positions under the administration of the Human Capital Management Division of the Office of Management and Enterprise Services effective January 1, 2022, except those employed by the Governor, Lt. Governor, Speaker of the House, or President Pro Tempore of the Senate, as well as elected officials, political appointees, and up to 5% of an agency's executive management.

The measure directs the Human Capital Management Division to establish and maintain a dispute resolution system for state agencies and employees, to promulgate rules necessary to perform duties required by the act, receive and act on complaints arising from disciplinary actions by state employees, use administrative law judges as independent contractors, submit quarterly reports on workload statistics to the Legislature, and create and administer a confidential whistleblower program.

Finally, the bill sunsets the existing Oklahoma Merit Protection Commission on December 31, 2022.

## KEY DIFFERENCES BETWEEN FLOOR VERSION AND FLOOR SUBSTITUTE:

Floor Sub modifies filing of complaint, modifies definition; authorizes payment of attorney fees and cost; adds exempted entities.

Prepared By: Sean Webster

#### **Fiscal Analysis**

### (REVISED)

HB 1146 in its current form creates the Civil Service and Human Capital Modernization Act. The Act assigns duties related to state employee dispute resolution services, state employment opportunities for veterans, state employee disciplinary actions, quarterly reporting of workload statistics, and state employee whistleblower protections to the Human Capital Management Division of the Office of Management and Enterprise Services (OMES-HCM). The measure also sunsets the Oklahoma Merit Protection Commission (MPC) effective December 31, 2022, midway through Fiscal Year 2023, (FY-23).

Officials from OMES expect the ability to absorb most costs related to provisions of HB 1146 assigned to OMES-HCM, without additional budgetary resources or full-time employees; however, OMES will not be able to absorb costs related to the payment of administrative law judges (ALJs) needed to perform certain functions assigned under the provisions of HB 1146.

OMES-HCM anticipates a need for additional appropriations in the amount of \$52,000 annually to employ ALJs.

The Oklahoma Merit Protection Commission (MPC) received an appropriation for FY-21 in the amount of \$385,929. Assuming MPC would otherwise receive appropriations in a similar amount for FY-22 and FY-23, the sunsetting of the agency midway through FY-23, would in theory result in MPC needing to only be funded for the first six months of FY-23, resulting in an appropriations savings to the state of approximately \$192,964, \$385,929\*1/2).

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# **Other Considerations**

None.

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