

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1714

By: Jett

AS INTRODUCED

An Act relating to state agencies; amending 74 O.S. 2021, Section 1604; requiring the establishment or enhancement of an internal employee suggestion program; stating purpose; providing for financial rewards; stating limitation for certain payments; creating the Statewide Cost Savings Incentive Fund; stating purpose; authorizing the Office of Management and Enterprise Services to promulgate rules; creating the Incentive Awards for State Employees Committee; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 2021, Section 1604, is amended to read as follows:

Section 1604. A. Each state agency ~~may~~ shall 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. Each state agency shall prioritize and implement viable cost-saving suggestions and shall justify, in writing, any rejection of cost-saving suggestions. Rejected suggestions shall be forwarded

1 to the Office of Management and Enterprise Services for statewide  
2 review and potential cross-agency adoption.

3 ~~B.~~ C. A state agency which implements a suggestion made by an  
4 employee which results in direct cost savings to the agency of Five  
5 Thousand Dollars (\$5,000.00) or more may financially reward the  
6 employee. The amount of any such award shall not exceed ~~twenty~~  
7 ~~percent (20%)~~ twenty-five percent (25%) of the cost savings to the  
8 agency and shall be a minimum of ten percent (10%) of the cost  
9 savings to the agency unless it conflicts with individual or team  
10 award limits. No award to an individual shall exceed Twenty  
11 Thousand Dollars (\$20,000.00). No award to a team of two or more  
12 employees shall exceed Fifty Thousand Dollars (\$50,000.00). No  
13 state employee shall be eligible to receive more than one award  
14 payment in any single fiscal year. Each agency shall be responsible  
15 for implementing a State Employee Suggestion Program as it deems  
16 appropriate in accordance with the provisions of this section.

17 D. Each state agency shall authorize non-cash recognition and  
18 rewards including, but not limited to, certificates, additional  
19 leave, and professional development opportunities for suggestions  
20 that improve efficiency without quantifiable dollar savings  
21 including, but not limited to, those identifying fraud or abuse  
22 leading to recoveries.

1        E. Each state agency shall authorize suggestions targeting  
2 other entities to be jointly reviewed, with shared credit and awards  
3 distributed proportionally based on realized savings.

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

12        Suggestions made by any state employee pursuant to the State  
13 Employee Suggestion Program shall be afforded the same protections  
14 as provided by a confidential whistleblower program pursuant to  
15 Section 34.301 of Title 62 of the Oklahoma Statutes or any other  
16 public employee whistleblower act that may be created by law.

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

20        SECTION 2.        NEW LAW        A new section of law to be codified  
21 in the Oklahoma Statutes as Section 1605 of Title 74, unless there  
22 is created a duplication in numbering, reads as follows:

23        Each state agency shall annually submit a report to the  
24 Governor, the President Pro Tempore of the Senate, the Speaker of  
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1 the House of Representatives, the Secretary of State, and the  
2 Director of the Office of Management and Enterprise Services  
3 detailing all cost-saving suggestions received and evaluated,  
4 implemented measures and verified savings, recommendations for  
5 reductions in other agencies, and a plan for achieving at least  
6 three percent (3%) budgetary efficiencies in the upcoming fiscal  
7 year through voluntary reductions or reallocations.

8 SECTION 3. NEW LAW A new section of law to be codified  
9 in the Oklahoma Statutes as Section 1606 of Title 74, unless there  
10 is created a duplication in numbering, reads as follows:

11 There is hereby created in the State Treasury a revolving fund  
12 for the Office of Management and Enterprise Services to be  
13 designated the "Statewide Cost Savings Incentive Fund". The fund  
14 shall be a continuing fund, not subject to fiscal year limitations,  
15 and shall consist of all monies received by the Office of Management  
16 and Enterprise Services from a twenty percent (20%) portion of  
17 realized statewide savings pursuant to Section 1604 of Title 74 of  
18 the Oklahoma Statutes. All monies accruing to the credit of the  
19 fund shall be budgeted and expended by the Office of Management and  
20 Enterprise Services for the purpose of providing bonus pools for  
21 agencies achieving aggregate reductions; agencies meeting or  
22 exceeding reduction targets shall receive supplemental  
23 appropriations or flexibility in carrying forward savings for  
24 employee bonuses or operational improvements. Expenditures from the

1 fund shall be made upon warrants issued by the State Treasurer  
2 against claims filed as prescribed by law with the Director of the  
3 Office of Management and Enterprise Services for approval and  
4 payment.

5 SECTION 4. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 1607 of Title 74, unless there  
7 is created a duplication in numbering, reads as follows:

8 There is hereby created the Incentive Awards for State Employees  
9 Committee. The Committee shall be responsible for annually  
10 recognizing top agency performers and individual employees for cost-  
11 saving contributions. The Committee shall annually publicly report  
12 the total statewide savings achieved through the State Employee  
13 Suggestion Program pursuant to Section 1604 of Title 74 of the  
14 Oklahoma Statutes. The Committee shall consist of one member to be  
15 appointed by the Governor, one member of the Senate to be appointed  
16 by the President Pro Tempore of the Senate, and one member of the  
17 House of Representatives to be appointed by the Speaker of the House  
18 of Representatives. All members of the Committee must be current  
19 state employees. All members of the Committee shall serve at the  
20 pleasure of the appointing authority. All actions of the Committee  
21 shall require a quorum which shall be defined as a majority of the  
22 members appointed. Staff for the Committee shall be provided by the  
23 Governor, Senate, and House of Representatives from their existing  
24 staff.

1       SECTION 5. This act shall become effective July 1, 2026.

2       SECTION 6. It being immediately necessary for the preservation  
3 of the public peace, health or safety, an emergency is hereby  
4 declared to exist, by reason whereof this act shall take effect and  
5 be in full force from and after its passage and approval.  
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