

1 ENGROSSED HOUSE
2 BILL NO. 1044

By: Walker of the House

3 and

4 Treat of the Senate

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6
7 An Act relating to state employees; establishing a
8 state employee suggestion program; stating purpose;
9 providing for financial rewards; stating limitation
10 for certain payments; authorizing the Office of
11 Management and Enterprise Services to promulgate
12 rules; amending 74 O.S. 2011, Sections 4111, 4115A
13 and 4119, as amended by Section 1016, Chapter 304,
14 O.S.L. 2012 (74 O.S. Supp. 2014, Section 4119),
15 which relate to the Incentive Awards for State
16 Employees Act; clarifying language; transferring
17 certain duties relating to administration of the
18 Incentive Awards for State Employees program to the
19 Office of Management and Enterprise Services;
20 removing certain duties from the Committee for
21 Incentive Awards for State Employees; repealing 74
22 O.S. 2011, Sections 4112, as amended by Section
23 1015, Chapter 304, O.S.L. 2012, 4116, 4117, 4118
24 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:

1 A. Every state agency employing more than ten (10) full-time-
2 equivalent employees may develop a State Employee Suggestion
3 Program. The purpose of the program shall be to promote efficiency
4 and effectiveness of state governmental operations by providing
5 economic incentives to employees who make suggestions which result
6 in direct cost savings.

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

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

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

21 Section 4111. Sections ~~±~~ 4111 through ~~±~~ 4122 of this ~~act~~ title
22 shall be known and may be cited as the "Incentive Awards for State
23 Employees Act".
24

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

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

13 SECTION 4. AMENDATORY 74 O.S. 2011, Section 4119, as
14 amended by Section 1016, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
15 2014, Section 4119), is amended to read as follows:

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

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

1 ~~for cause shall forfeit their share.~~ Funds for this incentive pay
2 shall be drawn from the operating expenses of the agency,
3 department, commission, or office for the eligible fiscal year. ~~No~~
4 ~~nominations for a unit incentive compensation award shall be made~~
5 ~~until the nominating agency, department, commission, or office~~
6 ~~assures that funds for said award are available.~~ Funds for the
7 ~~payment of unit incentive compensation awards shall be considered~~
8 ~~encumbered to the extent said awards are approved by the Committee.~~

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

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

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

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