

1 ENGROSSED SENATE AMENDMENT  
TO

2 ENGROSSED HOUSE  
3 BILL NO. 1044

By: Walker of the House

4 and

Treat of the Senate

5  
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.

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

1 and 4119, as amended by Section 1016, Chapter 304,  
2 O.S.L. 2012 (74 O.S. Supp. 2014, Section 4119),  
3 which relate to the Incentive Awards for State  
4 Employees Act; clarifying language; transferring  
5 certain duties relating to administration of the  
6 Incentive Awards for State Employees program to the  
7 Office of Management and Enterprise Services;  
8 removing certain duties from the Committee for  
9 Incentive Awards for State Employees; repealing 74  
10 O.S. 2011, Sections 4112, as amended by Section  
11 1015, Chapter 304, O.S.L. 2012, 4116, 4117, 4118  
12 and 4120, as amended by Section 1017, Chapter 304,  
13 O.S.L. 2012 (74 O.S. Supp. 2014, Sections 4112 and  
14 4120), which relate to the Incentive Awards for  
15 State Employees program; providing for  
16 codification; providing an effective date; and  
17 declaring an emergency.

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

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

22 A. Every state agency employing more than ten full-time-  
23 equivalent employees may develop a State Employee Suggestion  
24 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

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

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

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

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

18 Section 4111. Sections ~~4~~ 4111 through ~~10~~ 4122 of this ~~act~~ title  
19 shall be known and may be cited as the "Incentive Awards for State  
20 Employees Act".

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

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

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

9 SECTION 4. AMENDATORY 74 O.S. 2011, Section 4119, as  
10 amended by Section 1016, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
11 2014, Section 4119), is amended to read as follows:

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

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

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

5 SECTION 5. REPEALER 74 O.S. 2011, Sections 4112, as  
6 amended by Section 1015, Chapter 304, O.S.L. 2012, 4113, 4116, 4117,  
7 4118 and 4120, as amended by Section 1017, Chapter 304, O.S.L. 2012  
8 (74 O.S. Supp. 2014, Sections 4112 and 4120), are hereby repealed.

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

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

14 Passed the Senate the 22nd day of April, 2015.

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Presiding Officer of the Senate

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18 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
19 2015.

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Presiding Officer of the House  
of Representatives

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SECTION 8. NEW LAW A new section of law to be codified  
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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 9.       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 10. 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 11. 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~~  
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21 ~~adjustments as in the judgment of the Committee are required to~~  
22 ~~eliminate distortions, shall determine the amount, if any, that the~~  
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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~~  
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3 department, commission, or office for the eligible fiscal year. ~~No~~  
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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 12. 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 13. This act shall become effective July 1, 2015.

14 SECTION 14. 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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1 Passed the House of Representatives the 3rd day of March, 2015.

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4 Presiding Officer of the House  
of Representatives

5 Passed the Senate the \_\_\_ day of \_\_\_\_\_, 2015.

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8 Presiding Officer of the Senate