

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

HOUSE BILL

No. 1792 Session of  
2013

---

INTRODUCED BY SCHLOSSBERG, MCNEILL, SCHREIBER, BROWNLEE, TRUITT,  
SWANGER, D. MILLER, MURT, PAINTER AND READSHAW,  
OCTOBER 23, 2013

---

REFERRED TO COMMITTEE ON STATE GOVERNMENT, OCTOBER 23, 2013

---

AN ACT

1 Establishing the State Employee Incentive Award.

2 The General Assembly of the Commonwealth of Pennsylvania  
3 hereby enacts as follows:

4 Section 1. Short title.

5 This act shall be known and may be cited as the State  
6 Employee Adding Value and Efficiency Act.

7 Section 2. Definitions.

8 The following words and phrases when used in this act shall  
9 have the meanings given to them in this section unless the  
10 context clearly indicates otherwise:

11 "Award." The State Employee Incentive Award established  
12 under this act.

13 "Committee." The State Employee Adding Value and Efficiency  
14 Program Committee established under this act.

15 "Commonwealth agency." An executive agency, independent  
16 agency, the General Assembly, and each of its officers and  
17 agencies, or a court or other officer or agency of the unified

1 judicial system.

2 "Eligible State employee." An employee who works in a  
3 Commonwealth agency. The term shall not include elected members  
4 of the General Assembly, executive branch or unified judicial  
5 system, nor heads of particular Commonwealth agencies, members  
6 of the State Employee Adding Value and Efficiency Program  
7 Committee or positions with Statewide programmatic or budgetary  
8 authority.

9 "Employee suggestion." A proposal by an eligible State  
10 employee or a group of eligible State employees which reduces,  
11 eliminates or avoids State expenditures or which improves the  
12 efficiency and operation of State government.

13 "Program." The State Employee Adding Value and Efficiency  
14 Program established under this act.

15 Section 3. State Employee Adding Value and Efficiency Program.

16 The State Employee Adding Value and Efficiency Program is  
17 established to provide incentives to State employees who suggest  
18 ideas for improving the efficiency of a Commonwealth agency, the  
19 implementation of which results in budgetary savings for the  
20 Commonwealth or an increase in productivity or quality of agency  
21 service. The program shall be administered in accordance with  
22 this act.

23 Section 4. State Employee Adding Value and Efficiency Program  
24 Committee.

25 (a) Establishment.--The State Employee Adding Value and  
26 Efficiency Program Committee is established to review submitted  
27 employee suggestions. The committee shall be composed of nine  
28 members as follows:

29 (1) The Secretary of the Budget, or his designee.

30 (2) The Secretary of Administration, or his designee.

1           (3) One individual appointed by the Chief Justice of the  
2 Supreme Court of the Commonwealth with knowledge of judicial  
3 administration of the unified judicial system.

4           (4) Two individuals appointed by the Governor, one of  
5 whom shall be employed in a Commonwealth agency and is a  
6 member of a labor organization.

7           (5) Four members of the General Assembly, appointed as  
8 follows:

9           (i) One individual appointed by the President pro  
10 tempore of the Senate.

11           (ii) One individual appointed by the Minority Leader  
12 of the Senate.

13           (iii) One individual appointed by the Speaker of the  
14 House of Representatives.

15           (iv) One individual appointed by the Minority Leader  
16 of the House of Representatives.

17       (b) Appointments.--Appointments to the committee shall be  
18 made within 60 days of the effective date of this section and  
19 whenever vacancies occur.

20       (c) Duty to review and evaluate.--The committee shall review  
21 and evaluate the merits of each proposed suggestion submitted by  
22 an eligible State employee pursuant to section 5. The committee  
23 shall, by majority vote, establish rules for conducting business  
24 and carrying out the provisions of this act, as well as  
25 selecting a committee chairperson.

26       (d) Compensation and expenses.--Members of the committee  
27 shall serve without compensation, but shall be reimbursed for  
28 reasonable expenses in carrying out the responsibilities of this  
29 act.

30       (e) Terms.--Individuals appointed to the committee under

1 subsection (a) shall serve for a term of four years.

2 (f) Meetings.--The committee shall hold at least one meeting  
3 per month to consider submitted employee suggestions and  
4 Commonwealth agency reports submitted under section 6(b). All  
5 meetings of the committee shall be deemed a meeting pursuant to  
6 65 Pa.C.S. Ch. 7 (relating to open meetings). Five members  
7 present shall constitute a quorum. Action must be taken by a  
8 vote of a majority of the members present.

9 (g) Staff.--The committee may employ a limited staff to  
10 carry out the duties and functions of the committee. All  
11 personnel of the committee shall be appointed without regard to  
12 political affiliation and solely on the basis of their fitness  
13 to perform their duties.

14 Section 5. Employee suggestions.

15 (a) Eligibility.--Except as otherwise provided for under  
16 this section, any eligible State employee or any group of  
17 eligible State employees may make an employee suggestion to the  
18 committee for improving the efficiency of a Commonwealth agency,  
19 the implementation of which results in a budgetary savings for  
20 the Commonwealth or an increase in productivity or quality of  
21 agency service. The employee suggestion must be made in writing  
22 in a form approved and adopted by the committee.

23 (b) Suggestions.--To be eligible for an award under this  
24 act, an eligible State employee or a group of eligible State  
25 employees must make an employee suggestion that:

26 (1) Is not currently under active consideration by the  
27 Commonwealth agency or agencies affected by the suggestion.

28 (2) Is not part of the normal job duties of the eligible  
29 State employee, whether acting individually or as a member of  
30 a group of eligible State employees.

1 (3) Is not within the eligible State employee's  
2 authority to carry out or implement, whether acting  
3 individually or as a member of a group of eligible State  
4 employees.

5 (4) Does not reduce the quality or quantity of services  
6 provided by the respective Commonwealth agency or agencies.

7 (5) Does not transfer costs from one Commonwealth agency  
8 to another Commonwealth agency.

9 (6) Proposes more than properly implementing an existing  
10 policy or procedure.

11 (c) Duplicate suggestions.--If duplicate employee  
12 suggestions are submitted to the committee, only the eligible  
13 State employee or group of eligible State employees who makes  
14 the first employee suggestion received by the committee is  
15 eligible for an award under this act.

16 (d) Limitation.--An eligible State employee, either  
17 individually or as a member of a group of eligible State  
18 employees, may not submit to the committee more than two  
19 employee suggestions in any calendar year.

20 (e) Retaliation.--No Commonwealth agency employee, nor any  
21 head of a Commonwealth agency, may discharge, threaten or  
22 otherwise discriminate or retaliate against an eligible State  
23 employee that submits an employee suggestion to the committee or  
24 participates in the program.

25 Section 6. Committee and agency responsibilities.

26 (a) Committee responsibilities.--Upon receiving an employee  
27 suggestion, the committee shall:

28 (1) Record and acknowledge receipt of the employee  
29 suggestion within 30 days of submission.

30 (2) Notify the eligible State employee or group of

1 eligible State employees of any undue delays in the  
2 consideration of the employee suggestion.

3 (3) Refer the employee suggestion to the head of the  
4 Commonwealth agency or agencies affected, or his designee,  
5 for consideration within 60 days of submission of the  
6 employee suggestion to the committee.

7 (b) Agency responsibilities.--Within 30 days of receiving a  
8 referred employee suggestion under subsection (a), the head of  
9 the Commonwealth agency or agencies affected, or his designee,  
10 shall report his findings and recommendations to the committee.  
11 The report must indicate:

12 (1) Whether the employee suggestion has been adopted or  
13 is in the process of being adopted.

14 (2) If adopted:

15 (i) The day on which the employee suggestion was  
16 placed in effect.

17 (ii) The actual or estimated reduction, elimination  
18 or avoidance of expenditures or any improvement in  
19 operations made possible by the employee suggestion.

20 (iii) If the employee suggestion was made by a group  
21 of eligible State employees, a recommendation of the  
22 distribution of any potential award made pursuant to  
23 section 8 to each employee in the group. Such a  
24 distribution must be proportionate, fair and equitable  
25 based on the contributions by each eligible State  
26 employee to the submitted employee suggestion.

27 (3) If rejected, the reasons for rejection.

28 (4) If applicable, whether legislation will be required  
29 before the employee suggestion may be adopted.

30 (c) Report review.--Upon receipt of the report under

1 subsection (b), the committee shall review the findings and  
2 recommendations of the Commonwealth agency and may obtain  
3 additional information or take such other action as is necessary  
4 for thorough and impartial consideration of each employee  
5 suggestion. The committee may ask the Commonwealth agency  
6 affected by an employee suggestion to reconsider a rejected  
7 submission if the committee believes the suggestion would result  
8 in budgetary savings for the Commonwealth or an increase in  
9 productivity or quality of agency service.

10 Section 7. Annual report.

11 Within 30 days of the end of each fiscal year, the committee  
12 shall prepare a report for members of the General Assembly and  
13 the Governor summarizing:

14 (1) The employee suggestions that were rejected by  
15 Commonwealth agencies.

16 (2) The employee suggestions that were adopted by  
17 Commonwealth agencies and detailing any reduction,  
18 elimination or avoidance of expenditures or any improvement  
19 in operations made possible by each employee suggestion.

20 (3) Any legislation required to be enacted before an  
21 employee suggestion may be adopted.

22 (4) Any proposed changes to the program and the  
23 rationale behind those changes.

24 Section 8. Terms of award.

25 (a) Establishment.--The State Employee Incentive Award is  
26 established to provide eligible State employees, pursuant to  
27 this act, a monetary or nonmonetary award for suggestions that  
28 result in budgetary savings or an increase in the productivity  
29 or quality of a Commonwealth agency's service.

30 (b) Monetary awards.--After reviewing and evaluating a

1 Commonwealth agency report submitted under section 6, the  
2 committee may make an award to the eligible State employee or to  
3 each eligible State employee of a group of eligible State  
4 employees who made the employee suggestion.

5 (c) Amount of award.--An award made pursuant to this section  
6 shall not exceed 10% of the amount of any actual savings to the  
7 State after the adoption of the employee suggestion, or a total  
8 of \$25,000, whichever is less, whether distributed to an  
9 individual eligible State employee or a group of eligible State  
10 employees. Actual savings shall refer to the difference between  
11 the actual expenditures for the area associated with the  
12 employee suggestion in the previous fiscal year and the actual  
13 or planned expenditures subsequent to the implementation of the  
14 employee suggestion and that can be directly attributed to  
15 implementation of the employee suggestion.

16 (d) Timing of award.--An award shall not be made for an  
17 employee suggestion until the Commonwealth has realized a  
18 reduction, elimination or avoidance of expenditures or any  
19 improvement in operations as a result of the employee  
20 suggestion.

21 (e) Payments.--The total amount of an award made pursuant to  
22 this section shall be paid out in two equal installments. The  
23 first installment shall be paid to each eligible State employee  
24 no later than 30 days after the end of the first full fiscal  
25 year after the Commonwealth realized a reduction elimination or  
26 avoidance of expenditures of any improvement in operations as a  
27 result of the employee suggestion. The second installment must  
28 be paid no later than 30 days after the end of the subsequent  
29 fiscal year.

30 (f) Former employees.--A former State employee is eligible



1 to receive an award pursuant to this section if the person was  
2 an eligible State employee at the time he or she made an  
3 employee suggestion or was a member of a group of eligible State  
4 employees who made an employee suggestion that is subsequently  
5 adopted.

6 (g) Distribution of savings.--Any actual savings to the  
7 Commonwealth resulting from the adoption of an employee  
8 suggestion that remains after an award is made pursuant to this  
9 section shall be distributed as follows:

10 (1) Ninety percent transferred to the General Fund.

11 (2) Ten percent transferred to the committee for  
12 carrying out the provisions of this act.

13 (h) Nonmonetary awards.--If a Commonwealth agency adopts an  
14 employee suggestion that provides nonmonetary or quality of  
15 service benefits, the employee is entitled to receive a  
16 nonmonetary award. The award can include up to three days of  
17 annual leave and a certificate of recognition for each eligible  
18 State employee who submits an employee suggestion that results  
19 in nonmonetary benefits. The committee, in consultation with the  
20 applicable Commonwealth agency, shall determine the amount of a  
21 nonmonetary award.

22 Section 9. Effective date.

23 This act shall take effect in 60 days.