

**SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION**

**S.F. No. 1340**

(SENATE AUTHORS: CARLSON)

DATE  
02/22/2021

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Introduction and first reading  
Referred to State Government Finance and Policy and Elections

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to state government; repealing employee gainsharing system; repealing  
1.3 Minnesota Statutes 2020, section 16A.90.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **REPEALER.**

1.6 Minnesota Statutes 2020, section 16A.90, is repealed.

1.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

**16A.90 EMPLOYEE GAINSHARING SYSTEM.**

The commissioner shall establish a program to provide onetime bonus compensation to state employees for efforts made to reduce the costs of operating state government or for ways of providing better or more efficient state services. The commissioner may authorize an executive branch appointing authority to make a onetime award to an employee or group of employees whose suggestion or involvement in a project is determined by the commissioner to have resulted in documented cost-savings to the state. Before authorizing awards under this section, the commissioner shall establish guidelines for the program including but not limited to:

(1) the maximum award is ten percent of the documented savings in the first fiscal year in which the savings are realized up to \$50,000;

(2) the award must be paid from the appropriation to which the savings accrued; and

(3) employees whose primary job responsibility is to identify cost savings or ways of providing better or more efficient state services are generally not eligible for bonus compensation under this section except in extraordinary circumstances as defined by the commissioner.