

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED  
5 HOUSE BILL 1044

By: Walker of the House

and

6 Treat of the Senate

7  
8  
9 COMMITTEE SUBSTITUTE

10 An Act relating to state employees; establishing a  
11 state employee suggestion program; stating purpose;  
12 providing for financial rewards; stating limitation  
13 for certain payments; authorizing the Office of  
14 Management and Enterprise Services to promulgate  
15 rules; amending 74 O.S. 2011, Sections 4111, 4115A  
16 and 4119, as amended by Section 1016, Chapter 304,  
17 O.S.L. 2012 (74 O.S. Supp. 2014, Section 4119), which  
18 relate to the Incentive Awards for State Employees  
19 Act; clarifying language; transferring certain duties  
20 relating to administration of the Incentive Awards  
21 for State Employees program to the Office of  
22 Management and Enterprise Services; removing certain  
23 duties from the Committee for Incentive Awards for  
24 State Employees; repealing 74 O.S. 2011, Sections  
4112, as amended by Section 1015, Chapter 304, O.S.L.  
2012, 4113, 4116, 4117, 4118 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:

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

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

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

19          C. The Office of Management and Enterprise Services shall  
20 promulgate rules and establish policies as necessary to implement  
21 the State Employee Suggestion Program.

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

24

1 Section 4111. Sections ~~±~~ 4111 through ~~±~~ 4122 of this ~~act~~ title  
2 shall be known and may be cited as the "Incentive Awards for State  
3 Employees Act".

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

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

16 SECTION 4. AMENDATORY 74 O.S. 2011, Section 4119, as  
17 amended by Section 1016, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
18 2014, Section 4119), is amended to read as follows:

19 Section 4119. ~~At the conclusion of the eligible fiscal year,~~  
20 ~~subject to the rules and regulations promulgated by the Committee,~~  
21 ~~the Committee shall compare the unit dollar expenditures for that~~  
22 ~~year of each agency, department, commission, office, or defined work~~  
23 ~~unit or work teams against the base year data and, after making such~~  
24 ~~adjustments as in the judgment of the Committee are required to~~

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

1 ~~employees have worked for that agency, department, commission,~~  
2 ~~office, defined work unit or work teams. Employees voluntarily~~  
3 ~~leaving the employment of state government or employees dismissed~~  
4 ~~for cause shall forfeit their share. Funds for this incentive pay~~  
5 shall be drawn from the operating expenses of the agency,  
6 department, commission, or office for the eligible fiscal year. ~~No~~  
7 ~~nominations for a unit incentive compensation award shall be made~~  
8 ~~until the nominating agency, department, commission, or office~~  
9 ~~assures that funds for said award are available. Funds for the~~  
10 ~~payment of unit incentive compensation awards shall be considered~~  
11 ~~encumbered to the extent said awards are approved by the Committee.~~

12 SECTION 5. REPEALER 74 O.S. 2011, Sections 4112, as  
13 amended by Section 1015, Chapter 304, O.S.L. 2012, 4113, 4116, 4117,  
14 4118 and 4120, as amended by Section 1017, Chapter 304, O.S.L. 2012  
15 (74 O.S. Supp. 2014, Sections 4112 and 4120), are hereby repealed.

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

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

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