

HB

14

HOUSE COMMITTEE REPORT

(11)

Date referred: 2/9/87

FURTHER REFERRALS:

DATE: 4-8-87

The Finance Committee has considered HB 14

"An Act establishing a state employee incentive award system."

RECOMMENDS:

- replace with CS HB 14 (Finance) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: Finance letter of intent

ATTACHES NEW FISCAL NOTE(s):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Pat Houchens

Ch. Swadlow

Mike Dun

St. Mont

Pat Galt

SIGNING OTHER RECOMMENDATIONS:

Alberto. Lopez - DO NOT PASS

Steve Rigney No Recommendation

Mark Buyer No Rec.

Alberto. Lopez

 Chairman's signature

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____
 Revision Date: _____
 Title: An Act establishing a State
Employee Award System
 Sponsor: Koponen
 Requestor: _____

Bill Version: CSHB 14 (fin.)
 Publish Date: _____

Agency Affected: Division of Personnel
 BRU: Personnel
 Components: Centralized Administrative
Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

An employee may receive a cash award only after an actual cost savings has been realized through the implementation of the employee's suggestion, and the cash award is based on a percentage of the savings to the state. Therefore, the granting of cash awards will not result in a net cost to the state.

Prepared by: Rep. Al Adams ^{APA} Phone: 465-3706
 Division: House Finance Committee Date: April 7, 1987

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

State of Alaska 1987 Legislative Session

Fiscal Note

CSHB 14 (Fin.) Cont.

The Incentive Awards Board consists of three members who are state employees and who are located in Juneau. Therefore, no costs will be incurred by the establishment and operation of the board, and no funds will be required in order for the board to meet.



Alaska State Legislature

HOUSE OF REPRESENTATIVES

Committee on Finance

Official Business

P.O. Box V
State Capitol
Juneau, Alaska 99811

HOUSE FINANCE COMMITTEE

LETTER OF INTENT

FOR

CS HB 14 (FINANCE)

It is the intent of the House Finance Committee that regulations pertaining to the establishment of the incentive award system address the following concerns:

1. The regulations should include a system to protect the confidentiality and impartial review of all suggestions and establish a time limit for agency review.
2. Members of the Incentive Awards Board should participate in a training seminar.
3. The regulations should provide that the incentive award shall be computed on the actual savings for a twelve month period from the time the proposed change is instituted. The award shall be paid to the employee in a lump sum at the end of the twelve month period.
4. The regulations should provide for the overview of the program in general, and for the overview of each department's participation in the program in specific.
5. The regulations should provide for the continuing publicity of the program with an emphasis on the recognition of winners and the saving of state revenues. The state will announce and promote the program with material inserted in pay envelopes.
6. The regulations should provide for the review of suggestions within 90 days of their submission.

7. The regulations should provide that the awards are separate from any collective bargaining agreements.

8. The regulations should provide for an appeals process for an employee who believes that his or her idea has been successfully implemented by the state, but who has not received due compensation.

9. The regulations should provide that an employee who is not eligible to participate in the incentive awards system may not indirectly participate in the system by having his or her idea presented to the awards board by an eligible employee in the expectation of sharing the eligible employee's cash award.



Al Adams, Chair
House Finance Committee

Original sponsors: Koponen, Ellis,
Gruenberg, et al.

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 14 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a state employee incentive award
7 system."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 39.51 is amended by adding new sections to read:

10 ARTICLE 2. INCENTIVE AWARD PROGRAM.

11 Sec. 39.51.110. INCENTIVE AWARDS. The Incentive Awards Board
12 may authorize the commissioner of a department or the executive head
13 of an agency other than a department to pay an employee a cash award
14 and incur necessary expense for the honorary recognition of the em-
15 ployee if the employee has contributed to the efficiency, economy, or
16 other improvement of state operations by a superior suggestion, in-
17 vention, accomplishment, or other superior personal effort in con-
18 nection with or related to the employee's official employment.

19 Sec. 39.15.120. PAYMENT OF AWARDS. (a) A cash award under
20 AS 39.51.110 - 39.51.200 is in addition to the regular pay of the
21 recipient. Acceptance of a cash award constitutes an agreement that
22 the use by the state of an idea, method, or device for which the award
23 is made does not form the basis of a further claim of any nature
24 against the state by the employee.

25 (b) A department or agency may pay a cash award and the expense
26 for the honorary recognition of an employee from the appropriation
27 available to the activity or activities primarily benefiting from the
28 idea, method, or device that forms the basis for the award. The
29 commissioner of the department or head of the agency shall recommend

1 to the board the amount to be paid by each activity for an award.

2 (c) An employee may receive a cash award only if the commission-
3 er of the department or the executive head of the agency has demon-
4 strated to the satisfaction of the board that a net savings has been
5 realized by the department or agency as a direct result of the em-
6 ployee's concept or idea.

7 (d) The board may not grant an award to an employee whose idea
8 or concept requires a change in law before it may be implemented.

9 Sec. 39.51.130. AMOUNT OF AWARDS. The board may not grant a
10 cash award under AS 39.51.110 - 39.51.200 that exceeds \$25,000. The
11 amount of the award is determined by multiplying each increment of the
12 state's actual cost savings during the first 12 months of implementa-
13 tion, as determined by the board, by the following percentages and
14 adding the results:

- 15 (1) 10 percent of the first \$10,000 in savings;
16 (2) eight percent of the next \$20,000 in savings;
17 (3) six percent of the next \$30,000 in savings;
18 (4) four percent of the next \$40,000 in savings;
19 (5) two percent of the amount of savings that exceeds
20 \$100,000.

21 Sec. 39.51.140. MERITORIOUS ACHIEVEMENT. When the commissioner
22 of a department or the executive head of an agency certifies to the
23 board that an employee's superior suggestion, invention, accomplish-
24 ment, or other meritorious effort is highly exceptional and unusually
25 outstanding, but does not result in a direct savings to state govern-
26 ment, the board may approve an award consisting of a certificate of
27 merit issued by the Office of the Governor.

28 Sec. 39.51.150. LIMITATION ON AWARDS. The board may not make an
29 award to an employee

1 (1) for a suggestion that represents a part of the normal
2 duties of the employee;

3 (2) who has sole authority to implement the suggestion;

4 (3) whose duties include research or planning, unless the
5 subject matter of the suggestion is unrelated to the employee's normal
6 work assignments; or

7 (4) is developed by more than one person unless each person
8 is an employee eligible for an award under this section.

9 Sec. 39.51.160. AWARDS TO FORMER EMPLOYEES. A department or
10 agency may pay or grant an award under AS 39.51.110 - 39.51.200 not-
11 withstanding the death or separation from state service of the em-
12 ployee concerned if the suggestion, invention, accomplishment, other
13 superior personal effort, or special act or service in the public
14 interest for which the award is proposed was made or performed while
15 the employee was in the employ of the state.

16 Sec. 39.51.170. INCENTIVE AWARDS BOARD. (a) The Incentive
17 Awards Board is established in the division of personnel in the De-
18 partment of Administration.

19 (b) The board consists of the director of the division of per-
20 sonnel in the Department of Administration, and the directors of the
21 division of strategic planning and the office of management and budget
22 in the Office of the Governor. The board shall elect a chair.

23 (c) The board shall meet four times a year at a time and place
24 determined by the chair. The meetings are open to the public. A
25 majority of the membership of the board constitutes a quorum. The
26 board may not take action on a matter except by affirmative vote of a
27 majority of the board members.

28 (d) A member of the board may not act on a matter in which the
29 relationship of the member with another person creates a conflict of

1 interest.

2 (e) A member of the board may not receive an award under this
3 chapter.

4 (f) The board shall adopt regulations and conduct hearings under
5 the Administrative Procedure Act (AS 44.62).

6 Sec. 39.51.180. ANNUAL REPORT. The board shall submit a report
7 regarding the operation of the awards program to the governor by
8 January 15 of each year.

9 Sec. 39.51.200. DEFINITIONS. In AS 39.51.110 - 39.51.200

10 (1) "board" means the Incentive Awards Board;

11 (2) "employee" includes a permanent, probationary, season-
12 al, nonpermanent, temporary, or provisional employee of the executive
13 branch of state government whether in the classified, partially ex-
14 empt, or exempt service.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: HB 14
Publish Date: HOUSE 2-2-87

REQUEST _____

Revision Date: _____
Title: An act establishing a State
Employee Incentive Award System.
Sponsor: Koponen
Requestor: _____

Agency Affected: Division of Personnel
BRU: Personnel
Components: Centralized Administrative Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
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TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
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MISCELLANEOUS	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: Attach a separate page if necessary

The Division of Personnel will incur no cost provided the Personnel Board is not required to hold special meetings for per diem and travel to decide the size of awards. Special meetings would add expense.

Prepared By: Diana DeSimone Phone: 465-4430
Division: Personnel Date: 1/18/87
Approved by Commissioner: Garrey Peska Date: 1/22/87
Agency: Department of Administration

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

Alaska State Legislature
Representative Niilo Koponen

Pouch V
Juneau, Alaska 99811
(907) 465-4992

542 4th Avenue, Suite C
Fairbanks, Alaska 99701
(907) 456-3151

MEMORANDUM

TO: HONORABLE AL ADAMS, CHAIR HOUSE FINANCE

FROM: REPRESENTATIVE KOPONEN *NK*

DATE: FEBRUARY 18, 1987

RE: HB 14 "STATE EMPLOYEE INCENTIVE AWARD SYSTEM"

I would appreciate it if you would schedule HB 14 at your earliest convenience.

HB 14 would establish a monetary incentive program to encourage suggestions by state employees to improve state operations, or to encourage employees to perform a special service in the public interest in connection with their official employment.

The legislation is consistent with AS 39.25.250(3) which requires development of "programs for the improvement of employee effectiveness and morale." In most cases, the cash awards would not exceed \$10,000. It is conceivable that technical changes in accounting practice, oil flow metering, or other petroleum or gas measures could save the state millions of dollars. In unusual cases such as these, an award not in excess of \$25,000 could be approved by the Personnel Board. The active participation of the Governor in the award process would give even greater weight to the incentive program, and would improve morale through greater recognition of the individuals contribution.

The State of Alaska does not have such a program. With revenues declining it would be in the state's interest to encourage cost saving measures wherever they can be found.

HB 14 has a zero fiscal note. I have enclosed backup material. If you need any further information on this bill, please contact me or my staff aide, Shari Paul.

Alaska State Legislature
Representative Niilo Koponen

Pouch V
Juneau, Alaska 99811
(907) 465-4992

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Fairbanks, Alaska 99701
(907) 456-3161

POSITION PAPER
HB 14 STATE EMPLOYEE INCENTIVE AWARD SYSTEM

In government, generally, there are many work place situations in which changes can be made that would improve efficiency and reduce costs without decreasing services.

Several states, as well as the federal government, have established monetary incentive programs to encourage workers to bring their ideas to the attention of those who can implement the necessary changes. A New York state employee found a way to save \$419,000 on an agency ventilation system, while a janitor in Missouri suggested a method for installing a new lighting system that cost only \$400 instead of the projected \$3,400.

The State of Alaska does not have such a program. With revenues declining it would be in the state's interest to encourage cost saving measures wherever they can be found.

HB 14 would establish a monetary incentive program to encourage suggestions by state employees to improve state operations, or to encourage employees to perform a special service in the public interest in connection with their official employment.

The legislation is consistent with AS 39.25.250(3) which requires development of "programs for the improvement of employee effectiveness and morale." In most cases, the cash awards would not exceed \$10,000. It is conceivable that technical changes in accounting practice, oil flow metering, or other petroleum or gas measures could save the state millions of dollars. In unusual cases such as these, an award not in excess of \$25,000 could be approved by the Personnel Board. The active participation of the Governor in the award process would give even greater weight to the incentive program, and would improve morale through greater recognition of the individuals contribution.

A recent "Survey of State Practices for Recognizing Managerial Performance" provides evidence that this type of program is reaping positive benefits in other parts of the nation. These programs vary from providing recognition in the form of noncash prizes and certificates, to cash prizes that include a percentage of the savings realized by the state. I believe that such a program will benefit the state at both the monetary and human levels.

QUESTIONS AND ANSWERS REGARDING HB 14

HOW WOULD THE STATE PROMOTE AN INCENTIVE PROGRAM?

Simple means, such as notices in APEA newsletters, posters on bulletin boards, etc.

HONOR AWARDS OR JUST MONETARY?

The award could be either, with some provision set up to make the determination.

HOW WOULD THE AWARD BE PRESENTED?

Some states have an "awards ceremony" with the governor presenting the awards. In Oregon, the recipients have their pictures taken with the governor while receiving the award. Recognition is as important as actual cash.

IF A SUGGESTION IS REJECTED, HOW DO YOU KEEP SOMEONE ELSE FROM MAKING MINOR CHANGES AND CALLING THE IDEA THEIR OWN?

The commissioner or agency head would have to be discreet to a certain point. Possibly, a copy of the suggestions should be given to the Personnel Board as well as the department head. This might help alleviate any problems.

WILL THERE BE MONEY REQUIRED TO MAKE THE DECISIONS REGARDING THE AWARDS AND THE PRESENTING OF THE AWARDS?

The Personnel Board is already in existence. If the awards were to be presented in conjunction with a governor's visit to an area, there should be no extra expense. If someone was flown to Juneau just for the occasion, there would be an added expense.

WOULD THIS PROGRAM BE MANDATORY STATEWIDE, OR COULD DEPARTMENTS (AGENCIES) DECIDE WHETHER OR NOT TO BE INVOLVED?

This would be a statewide program.

SOME DEPARTMENTS HAVE LARGER BUDGETS THAN OTHERS. WOULD THERE BE A PROBLEM WITH A "LARGE BUDGET" AGENCY GIVING OUT AN EXCESSIVE AMOUNT OF AWARDS COMPARED TO AN AGENCY WITH A SMALLER BUDGET FOR COMPARABLE SUGGESTIONS?

Agencies with larger budgets might offer less money per suggestion, they could award more suggestions, but not have larger awards. Another idea would be to have all departments contribute to a "pool" from which to make awards.

SHOULD THE PROGRAM RUN FOR A LIMITED AMOUNT OF TIME?

The program would not need a limit. As time goes by, it should become more publicized and thus, could generate more cost saving ideas.

COULD AN AWARD BE SPLIT BETWEEN SEVERAL MEMBERS OF A DEPARTMENT?

Yes, the awards could be split any way it seemed logical.

WHEN AN AWARD IS PRESENTED, HOW LONG WOULD IT BE BEFORE ACTION IS TAKEN ON THE SUGGESTION?

Each suggestion will require a different amount of time to complete, however, they should have some sort of time limit such as, within the current fiscal year, etc.

POSITION PAPER

HB 14

HB 14 establishes incentive and cost-saving disclosure awards for State employees. This proposed legislation is consistent with AS 39.25.250(3) which requires development of "programs for the improvement of employee effectiveness and morale."

This legislation impacts the Personnel Board and the Division of Personnel in two ways.

Sec. 39.51.120(b) requires the board to determine the size of a cash award when a commissioner of a department or the executive head of an agency certifies to the board that a suggestion or accomplishment "is highly exceptional and unusually outstanding." The other impact comes in Sec. 39.51.140 which states the Personnel Board "may adopt regulations" in order to implement this program.

As conveyed in the attached Fiscal Note, this legislation would not require increased appropriations if matters associated with the incentive program could be added to the agendas of normally scheduled meetings. The scheduling of special meetings of the Personnel Board to decide on the amount of awards would increase expenses and, therefore, be a source of concern to the Department of Administration, Division of Personnel.

HB 14 allows much latitude on the part of a commissioner of a department or the executive head of an agency to decide the specific kind of achievement to be recognized, the size of awards not in excess of \$10,000, and the determination to certify to the Personnel Board for a larger award. The Department of Administration, Division of Personnel is concerned that this bill, as written, could lead to inconsistencies because of the lack of uniformity between departments and the absence of guidelines. Final legislation should include such clarification to ensure it is implemented in a consistent manner.

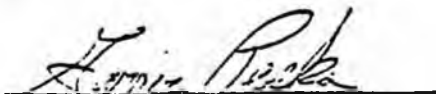
A recent "Survey of State Practices for Recognizing Managerial Performance" provides evidence that this type of program is reaping positive benefits in other parts of the nation. These programs vary from providing recognition in the form of noncash prizes and certificates to cash prizes which include a percentage of the savings realized. Based on the expectations that there will be actual savings as the result of this bill, we support it.



Diana DeSimone, Director
Division of Personnel

1/20/87

Date



Commissioner Garrey Peska
Department of Administration

1/22/87

Date

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: HB 14
Publish Date: _____

REQUEST _____

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Prepared By: Diana DeSimone
Division: Personnel

Phone: _____
Date: 8-17

Approved by Commissioner: Barney Peska
Agency: Department of Administration

Date: 7-22-87

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Agency Director

5-0013B
Cramer
3/31/87

Original sponsors: Koponen, Ellis,
Gruenberg, et al.

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11 (2) "employee" includes a permanent, probationary, season-
12 al, nonpermanent, temporary, or provisional employee of the executive
13 branch of state government whether in the classified, partially ex-
14 empt, or exempt service.



State of Idaho
DIVISION OF FINANCIAL MANAGEMENT
EXECUTIVE OFFICE OF THE GOVERNOR

CECIL D. ANDRUS
Governor

Statehouse
Boise, ID 83720

January 13, 1987

(208) 334-3900

Cardise L. Griffin
Legislative Assistant
State of Alaska
Office of the Governor
P.O. Box A
Juneau, Alaska 99801-0101

Dear Ms. Griffin:

Enclosed is a copy of the State of Idaho's statutory language for the Employee Incentive Award, per your recent request to Governor Evans.

Sincerely,

A handwritten signature in cursive script that reads "Susan K. Simmons".

Susan K. Simmons
Financial Management Analyst

SS:sg

encl.

any of the purposes of this act as well as gifts and donations from individuals and private organizations or foundations. [1970, ch. 69, § 4, p. 165.]

Compiler's notes. The words "this act" refer to S.L. 1970, ch. 69, compiled herein as §§ 67-6001 — 67-6008.

67-6005. State departments and agencies to cooperate. — The commission shall have the full cooperation of all executive departments and agencies of the state in obtaining information and performing its duties. [1970, ch. 69, § 5, p. 165.]

67-6006. Report and recommendations. — On or before the first day of November of each year next preceding the first session of each legislature the commission shall submit a report to the governor, including recommendations based upon its studies. [1970, ch. 69, § 6, p. 165.]

Compiler's notes. Section 7 of S.L. 1970, ch. 69 read: "The provisions of this act are hereby declared to be severable and if any provision of this act or the application of such provision to any person or circumstance is

declared invalid for any reason, such declaration shall not affect the validity of remaining portions of this act." Section 3 of S.L. 1970, ch. 69 declared an emergency. Approved February 29, 1970.

CHAPTER 61

STATE EMPLOYEE INCENTIVE AWARDS

SECTION.	SECTION.
67-6101. Legislative intent.	67-6105. Awards.
67-6102. Awards committee — Creation — Membership.	67-6106. Participation — Limitations.
67-6103. Meetings.	67-6107. Funding.
67-6104. Rules and regulations.	67-6108. [Repealed.]

67-6101. Legislative intent. — It is hereby declared to be the policy of the state of Idaho to further encourage state employees to develop new concepts for the improvement of efficiency and economy in state government through certificates of merit or monetary awards for suggestions, concepts and ideas that will directly conserve man-hours, supplies, equipment, operating costs or that contribute directly to carrying out the mission of a department of state government. [I.C., § 67-6101, as added by 1976, ch. 2, § 1, p. 9.]

Compiler's notes. Former §§ 67-6101 — 67-6107 which comprised S.L. 1971, ch. 75, §§ 1-8, p. 170, was repealed by S.L. 1974, ch. 22, § 1.

67-6102. Awards committee — Creation — Membership. — There is hereby created in the office of the governor the state employees incentive award committee. The committee shall consist of the governor, or his representative, who shall serve as chairman, the legislative auditor, and three (3) private citizens who represent business, management or industry. The three (3) citizen members shall be appointed by the governor to serve two (2) year terms. [I.C., § 67-6102, as added by 1976, ch. 2, § 1, p. 9.]

Compiler's notes. Former § 67-6102 was repealed, see compiler's notes, § 67-6101.

67-6103. Meetings. — The committee shall meet twice annually, or at such other times as the chairman may determine, in the office of the governor. At such time, the committee shall consider nominations submitted to the committee by the various directors of the executive agencies. A quorum shall consist of three (3) members. All committee meetings shall be open to the public. [I.C., § 67-6103, as added by 1976, ch. 2, § 1, p. 9.]

Compiler's notes. Former § 67-6103 was repealed, see compiler's notes, § 67-6101.

67-6104. Rules and regulations. — It shall be the duty of the committee to administer the provisions of this act and to promulgate rules and regulations for the successful implementation of this act. Such rules and regulations shall include, but are not limited to, the following:

- (1) the establishment of a procedure for submission, screening and eligibility of all suggestions, ideas, and concepts;
- (2) the approval of those suggestions which will produce economies or improvements in the operations of an agency;

Rules and regulations promulgated by the committee shall not be subject to the provisions of chapter 52, title 67, Idaho Code. [I.C., § 67-6104, as added by 1976, ch. 2, § 1, p. 9.]

Compiler's notes. Former § 67-6104 was repealed, see compiler's note, § 67-6101.

The words "this act" refer to S.L. 1976, ch. 2 compiled as §§ 67-6101 — 67-6107.

67-6105. Awards. — Upon approval of a concept, idea, or suggestion, submitted to the committee pursuant to adopted rules or regulations, the committee is hereby empowered to grant monetary awards or certificates of merit for the submission of ideas by state employees which would:

- (1) implement a cost savings,
- (2) increase efficiency,
- (3) better utilize resources.

The committee is not bound at any time to make an award, nor is a minimum number of awards to be made to each state department. The amount of the award shall be dependent upon the value and benefit of the suggestion as determined by the committee. The committee may request outside expertise in the judging of awards and may request additional information from the applicant or the department, as to the design, function, and applicability of the suggestion.

A monetary award or a certificate of merit made by the committee shall entitle the state of Idaho to full rights to utilize the suggestion; however, it shall not constitute a purchase of any property right of the employee in the idea or suggestion. [I.C., § 67-6105, as added by 1976, ch. 2, § 1, p. 9.]

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67-6106. P
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Compiler's note repealed, see comp:

67-6107. Fu
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Compiler's note: repealed, see comp:

67-6108. Exerr

Compiler's note comprised S.L. 1974, ch. 22, by S.L. 1974, ch. 22.

SECTION.

- 67-6201. Purpose.
67-6202. Idaho hou
67-6203. Commissi
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67-6204. Vice chair
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67-6205. Definition
67-6206. Powers of
67-6207. Managem
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67-6207A. Additiona
67-6207B. Mortgage
1976

Compiler's notes. Former § 67-6195 was repealed, see compiler's notes, § 67-6101.

67-6106. Participation — Limitations. — Employees of the state of Idaho are eligible to participate in the suggestion awards program, pursuant to the terms of this act; however, no award shall be made:

(1) for suggestions which represent a part of the normal duties of the employees, or over which the employee has the sole authority to implement the suggestion;

(2) for suggestions made by employees whose normal duties are research or planning, unless the subject matter is unrelated to normal work assignments;

(3) which shall exceed three hundred dollars (\$300). (I.C., § 67-6106, as added by 1976, ch. 2, § 1, p. 9.)

Compiler's notes. Former § 67-6106 was repealed, see compiler's notes, § 67-6101.

For the words "this act," see compiler's notes, § 67-6104.

67-6107. Funding. — The director shall submit in writing a statement, accompanying each proposal, in such form as may be required by the committee, stating that the expense of any award up to the maximum amount permitted, shall be borne by the department suggesting the award. (I.C., § 67-6107, as added by 1976, ch. 2, § 1, p. 9.)

Compiler's notes. Former § 67-6107 was repealed, see compiler's notes, § 67-6101.

67-6108. Exemption from administrative procedure law. [Repealed.]

Compiler's notes. This section which comprised S.L. 1971, ch. 75, § 8 was repealed by S.L. 1974, ch. 22, § 1.

CHAPTER 62

IDAHO HOUSING AGENCY

SECTION.		SECTION.	
67-6201.	Purpose.	67-6207C.	Housing sponsorship.
67-6202.	Idaho housing agency created.	67-6207D.	Periodic examination of income of persons residing in housing projects.
67-6203.	Commissioners — Chairman — Appointments.	67-6208.	Tax exempt status.
67-6204.	Vice chairman, executive director and other personnel — Appointments — Quorum.	67-6209.	Housing projects subjected to ordinances and regulations.
67-6205.	Definitions.	67-6210.	Power to issue bonds.
67-6206.	Powers of agency.	67-6211.	Additional definitions and capital reserve fund procedures.
67-6207.	Management and operation of housing projects — Priority of applications — Limited profit sponsors.	67-6212.	Refunding of obligations.
67-6207A.	Additional powers.	67-6213.	Deposit of funds.
67-6207B.	Mortgage loans — Rules and regulations — Purchase.	67-6214.	Rights of bondholder.
		67-6215.	Rights not to be impaired by state.
		67-6215A.	Remedies of bondholders.

Introduced: 1/19/87
Referred: State Affairs and
Finance

1 IN THE HOUSE

2 HOUSE BILL NO. 14

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a state employee incentive award
7 system."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 39.51 is amended by adding new sections to read:

10 ARTICLE 2. INCENTIVE AWARD PROGRAM.

11 Sec. 39.51.110. INCENTIVE AWARDS. The commissioner of a depart-
12 ment or the executive head of an agency other than a department may
13 pay an employee a cash award and incur necessary expense for the
14 honorary recognition of the employee if the employee has

15 (1) contributed to the efficiency, economy, or other im-
16 provement of state operations by suggestion, invention, superior
17 accomplishment, or other personal effort; or

18 (2) performed a special act or service in the public inter-
19 est in connection with or related to the employee's official employ-
20 ment.

21 Sec. 39.51.120. AMOUNT OF AWARDS. (a) Except as provided in
22 (b) of this section, a cash award under AS 39.51.110 - 39.51.200 may
23 not exceed \$10,000.

24 (b) When the commissioner of a department or the executive head
25 of an agency certifies to the Personnel Board that the suggestion,
26 invention, superior accomplishment, or other meritorious effort for
27 which the award is proposed is highly exceptional and unusually out-
28 standing, the board may approve a cash award in excess of \$10,000 but
29 not in excess of \$25,000.

1 (c) A cash award under AS 39.51.110 - 39.51.200 is in addition
2 to the regular pay of the recipient. Acceptance of a cash award
3 constitutes an agreement that the use by the state of an idea, method,
4 or device for which the award is made does not form the basis of a
5 further claim of any nature against the state by the employee.

6 (d) A department or agency may pay a cash award and the expense
7 for the honorary recognition of an employee from the appropriation
8 available to the activity primarily benefiting or the activities
9 benefiting from the idea, method, or device that forms the basis for
10 the award. The commissioner of the department or head of the agency
11 concerned determines the amount to be paid by each activity for an
12 award.

13 Sec. 39.51.130. AWARDS FOR COST SAVINGS DISCLOSURES. (a) A
14 department or agency may pay a cash award to an employee whose disclo-
15 sure of fraud, waste, or mismanagement to the official designated
16 under (b) of this section has resulted in cost savings for the depart-
17 ment or agency. The amount of the award may not exceed the lesser of

18 (1) \$10,000; or

19 (2) an amount equal to one percent of the department's or
20 agency's cost savings that the official designated under (b) of this
21 section determines to be the total savings attributable to the
22 employee's disclosure; in determining the amount, the official may
23 consider agency cost savings projected for subsequent fiscal years
24 that will be attributable to the disclosure.

25 (b) The commissioner of a department or the executive head of an
26 agency shall designate an official who has authority to make deter-
27 minations and grant awards under this section.

28 Sec. 39.51.130. AWARDS TO FORMER EMPLOYEES. A department or
29 agency may pay or grant an award under AS 39.51.110 - 39.51.200

1 notwithstanding the death or separation from state service of the em-
2 ployee concerned if the suggestion, invention, superior accomplish-
3 ment, other personal effort, or special act or service in the public
4 interest for which the award is proposed was made or performed while
5 the employee was in the employ of the state.

6 Sec. 39.51.140. REGULATIONS. The Personnel Board may adopt
7 regulations under AS 44.62 (Administrative Procedure Act) to implement
8 the employee incentive award program.

9 Sec. 39.51.200. DEFINITIONS. In AS 39.51.110 - 39.51.200,

10 (1) "employee" includes a permanent, probationary, season-
11 al, nonpermanent, temporary, or provisional employee of the state
12 whether in the classified, partially exempt, or exempt service;

13 (2) "Personnel Board" means the Personnel Board established
14 in AS 39.25.060.