

HB

14

Alaska State Legislature
Representative Niilo Koponen

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RECEIVED
APR 19 1988

MEMORANDUM

TO: Senator Mitch Abood

FROM: Representative Niilo Koponen 

Re: CSHB 14 'State Employee Incentive Award System.'

I would like to request a hearing on that bill we waived from your Committee on CSHB 14, "An Act establishing a state employee incentive award system."

This bill establishes a monetary incentive program to encourage suggestions by state employees to improve state operations, or to encourage employees to perform with a special service in the public interest in connection with their official employment.

This bill passed the House floor by a vote of 34 to 4. If you have any questions please feel free to contact me or my staff person, Shari Paul. Thank you.



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

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: HOUSE 4/10/87

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
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)

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.)

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.

FISCAL NOTE

REQUEST:

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

Agency Affected: Department of Administration
BRU: Personnel

Components: Centralized Administrative Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
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
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 *[Signature]* Phone: 465-4430
Division: Personnel Date: 1/21/88

Approved by Commissioner: John M. Andrews *[Signature]* Date: 1/25/88
Agency: Department of Administration

Distribution (by preparer):
Legislative Finance
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Alaska State Legislature
Representative Niilo Koponen

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RECEIVED
JAN 26 1988

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25 January 1988

Senator Mitch Abood
Chair, Senate State Affairs Committee
Capitol Room 423

Dear Senator Abood:

I would appreciate you scheduling a hearing or waiving HB 14 "State Employee Incentive Program from your Committee.

HB 14 establishes a monetary incentive program to encourage suggestions by state employees to improve operations and reduce costs without decreasing services.

HB 14 passed the House floor last May by a vote of 34 to 4.

If you have any further questions, please contact me or my staff aide, Shari Paul.

