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Fifty-sixth Legislative Assembly of North Dakota

FIRST ENGROSSMENT with Conference Committee Amendments ENGROSSED HOUSE BILL NO. 1174

Introduced by

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Government and Veterans Affairs Committee

(At the request of the Office of Management and Budget)

- 1 A BILL for an Act to amend and reenact section 54-06-24 of the North Dakota Century Code,
- 2 relating to the state employee suggestion incentive program.

3 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

- SECTION 1. AMENDMENT. Section 54-06-24 of the 1997 Supplement to the North
 Dakota Century Code is amended and reenacted as follows:
 - 54-06-24. State employee suggestion incentive program.
 - There is established a suggestion incentive program for state employees. All
 persons employed by the state are eligible to participate in the program except
 state agency heads, administrators, or any supervisors considered at the
 management level by the state agency head.
 - 2. A state employee may submit a recommendation or proposal to reduce expenditures within the employee's agency to a suggestion incentive committee. The suggestion incentive committee shall administer the employee suggestion incentive program created under this section and review all recommendations or proposals for reduction of expenditures. The suggestion incentive committee may consider whether the recommendation or proposal to reduce expenditures within the employee's agency applies to any other state agency. The suggestion incentive committee shall notify the office of management and budget of any recommendation that affects an agency other than the employing agency. The governor shall appoint five state agency heads to the suggestion incentive committee for four-year staggered terms to commence on August first in the year of appointment and to continue until the successors are appointed.

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1 3. a. The suggestion incentive committee shall consider legitimate savings 2 reductions in expenditures made possible within the employing state agency 3 and any other state agency. 4 b. The suggestion incentive committee shall determine if: 5 (1) The recommendation or proposal has been previously submitted and 6 rejected. 7 (2) The recommendation or proposal is beyond the reasonable 8 expectations of job performance for the employee who made the 9 suggestion. 10 Implementation of the recommendation or proposal is desirable and **(3)** 11 feasible. 12 (3) (4) Implementation of the recommendation or proposal will continue to 13 provide the quality of the services presently provided by the employing 14 state agency and any other state agency affected by the 15 recommendation or proposal. 16 The suggestion incentive committee shall submit to the state agency head of C. 17 the employee submitting the recommendation or proposal any 18 recommendation and proposal the committee approves. 19 4. The state agency head shall review and determine whether a recommendation or 20 proposal approved by the suggestion incentive committee is capable of 21 implementation. The state agency head shall make the final decision on 22 acceptance or rejection of a recommendation or proposal. 23 5. A state employee who submits a recommendation or proposal to reduce 24 expenditures that is approved by the suggestion incentive committee and 25 approved for implementation by the state agency head is entitled to receive ten 26 twenty percent of any savings realized up to a maximum of ene two thousand 27 dollars. The agency savings must relate directly to the employee's proposed 28 change. The suggestion incentive must be computed on the actual savings for a 29 twelve-month period, the period to run from the time that the proposed change is 30 instituted. An employee is entitled to the suggestion incentive payment at the end

of the twelve-month period in a lump sum from funds of the employing state

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- agency that realized the savings. Any payments to an employee under this program are in addition to the employee's regular salary. Employees who qualify for the suggestion incentive are entitled to an award for the first year's savings only and not for any subsequent years.
- 6. On July first of each year a state agency that makes a suggestion incentive payment in the preceding twelve months shall submit a report to the office of management and budget describing the implemented recommendation or proposal. On September first of each year, the office of management and budget shall provide to all state agencies a report describing the recommendations and proposals to reduce expenditures implemented by state agencies.