

**HOUSE BILL NO. 1174**

Introduced by

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:**

4 **SECTION 1. AMENDMENT.** Section 54-06-24 of the 1997 Supplement to the North  
5 Dakota Century Code is amended and reenacted as follows:

6 **54-06-24. State employee suggestion incentive program.**

- 7 1. There is established a suggestion incentive program for state employees. All  
8 persons employed by the state are eligible to participate in the program except  
9 state agency heads, administrators, or any supervisors considered at the  
10 management level by the state agency head.
- 11 2. A state employee may submit a recommendation or proposal to reduce  
12 expenditures ~~within the employee's agency~~ to a suggestion incentive committee.  
13 The suggestion incentive committee shall administer the employee suggestion  
14 incentive program created under this section and review all recommendations or  
15 proposals for reduction of expenditures. The governor shall appoint five state  
16 agency heads to the suggestion incentive committee for four-year staggered terms  
17 to commence on August first in the year of appointment and to continue until the  
18 successors are appointed.
- 19 3. a. The suggestion incentive committee shall consider legitimate savings  
20 reductions in expenditures made possible within ~~the state agency~~  
21 government.
- 22 b. The suggestion incentive committee shall determine if:
- 23 (1) The recommendation or proposal has been previously submitted and  
24 rejected.



1           the portion of the incentive payment representing each benefiting agency's  
2           proportionate share of the total expenditure reduction. If the proposal benefits only  
3           an agency that does not employ the person making the suggestion and immediate  
4           supervisor, then the employing agency shall pay the incentive and the benefiting  
5           agency or agencies shall pay the employing agency the amount of the incentive or  
6           its proportionate share of the incentive. Any payments to an employee and  
7           immediate supervisor under this program are in addition to the employee's and  
8           immediate supervisor's regular salary. Employees and supervisors who qualify for  
9           the suggestion incentive are entitled to an award for the first year's savings only  
10          and not for any subsequent years.

11          6. On July first of each year a state agency that makes a suggestion incentive  
12          payment in the preceding twelve months shall submit a report to the office of  
13          management and budget describing the implemented recommendation or  
14          proposal. On September first of each year, the office of management and budget  
15          shall provide to all state agencies a report describing the recommendations and  
16          proposals to reduce expenditures implemented by state agencies.