

1999 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1174

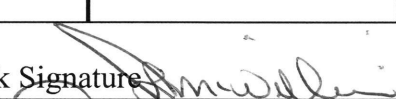
1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1174

House Government and Veterans Affairs Committee

Conference Committee

Hearing Date 1-15-1999

Tape Number	Side A	Side B	Meter #
1	X		50 - 59
1		X	0 - 14.5
Committee Clerk Signature 			

Minutes: Some of the individuals testifying submit written testimony. When noted please refer to it for more detailed information.

Representative Klein, Chairman of the GVA Committee opened the hearing on January 15, 1999.

Summary of the Bill: Relating to the state employee suggestion incentive program.

Testimony in Favor:

Rod Backman, OMB appeared before the committee to explain and/or speak about the background of the bill. He also submitted amendments. This was developed to make or create incentives for the rank and file employees. It hasn't been used as much as we would like it to be and so by increasing it from 1000 to 2000 dollars would add more incentive. The individual would receive the benefit if it benefits more than one agency. Now it's limited to how it would benefit the agency he or she works for. It also gives an additional incentive to the supervisor and this is how the amendments fit into the bill.

Backman, I don't know how many suggestions came in this past year, but only two were approved and went through the whole 12 month process and the individual was compensated.

Representative Klein, I am really amazed that this hasn't had more participation.

Backman, I use the MDU case as an example. We were getting the bottom rate from them for our heating and an employee suggested we negotiate that rate. We did and we received another 10 % discount. Now that saves us about 5000 dollars per month. This is a good example on how this can work.

Representative Winrich, My experience in public life is that publicity of things of this nature, need to be publicized.

Testimony in Opposition: None.

Representative Klein, Closed the hearing on HB 1174.

Committee Action:

Representative Thoreson, Made a motion to move the amendments.

Representative Cleary, Seconded the motion.

Motion Passes: Do Pass (vocal).

Representative Kroeber, Made a motion to amend on line 18, page 2 to twenty percent rather than the ten percent.

Representative Metcalf, Seconded the motion.

Motion Passes: Do Pass (vocal).

Representative Gorder, Made a motion for a Do Pass on the amended bill.

Representative Grande, Seconded the motion.

Motion Passes: Do Pass **15-0-0**.

Page 3

House Government and Veterans Affairs Committee

Bill/Resolution Number HB 1174

Hearing Date 1-15-1999

Representative Klemin, Is the carrier for the bill.

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____ Amendment to: HB 1174

Requested by Legislative Council _____ Date of Request: 1-19-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

The amendment increases the amount employees can receive for cost saving ideas and eliminates the employee's supervisor from receiving an incentive payment. Overall, the dollar amount of the fiscal note is unchanged.

2. State fiscal effect in dollar amounts:

1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds

Revenues:

Expenditures:	\$3,700	\$6,300	\$3,700	\$6,300
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3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1997-99 biennium: _____
- b. For the 1999-2001 biennium: _____
- c. For the 2001-03 biennium: _____

4. County, City, and School District fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

If additional space is needed, attach a supplemental sheet.

Signed *Sheila Peterson*

Typed Name Sheila Peterson

Department OMB

Phone Number 328.4905

Date Prepared: 1-19-99

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1174 Amendment to: _____

Requested by Legislative Council _____ Date of Request: 1-5-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

In FY97, \$2,693.02 was paid in employee incentives. In FY98, \$813.75 was paid in employee incentives.

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	0	0	0	0	0	0
Expenditures:	0	0	\$3,700	\$6,300	\$3,700	\$6,300

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1997-99 biennium: _____ 0
- b. For the 1999-2001 biennium: _____ 0
- c. For the 2001-03 biennium: _____ 0

4. **County, City, and School District** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
0	0	0	0	0	0	0	0	0

If additional space is needed, attach a supplemental sheet.

Signed *Sheila Peterson*

Typed Name Sheila Peterson

Department OMB

Phone Number 328-4905

Date Prepared: 1-7-99

Office of Management and Budget
January 14, 1999

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1174

Page 2, lines 19 through 22, remove "The immediate supervisor of the employee submitting the recommendation is also entitled to receive five percent of any savings realized up to a maximum of one thousand dollars."

Page 2, line 25, remove overstrike on "is" and remove "and the employee's immediate"

Page 2, line 26, remove "supervisor are"

Page 2, line 29, remove "and immediate supervisor"

Page 2, line 30, remove "and supervisor"

Page 3, line 3, remove "and immediate"

Page 3, line 4, remove "supervisor"

Page 3, line 6, remove "and"

Page 3, line 7, remove "immediate supervisorand"

Page 3, line 8, remove "immediate supervisor's....and supervisors"

Re-number accordingly

V/R
1/15/99

HOUSE AMENDMENTS TO HOUSE BILL NO. 1174

GVA 1-18-99

Page 2, line 18, overstrike "ten" and insert immediately thereafter "twenty"

Page 2, line 19, remove "The"

Page 2, remove lines 20 and 21

Page 2, line 22, remove "thousand dollars."

Page 2, line 25, remove the overstrike over "is" and remove "and the employee's immediate"

Page 2, line 26, remove "supervisor are"

Page 2, line 29, remove "and immediate supervisor"

Page 2, line 30, remove "and supervisor"

HOUSE AMENDMENTS TO HOUSE BILL NO. 1174

GVA 1-18-99

Page 3, line 3, remove "and immediate"

Page 3, line 4, replace "supervisor, then" with an underscored comma

Page 3, line 6, remove "and"

Page 3, line 7, remove "immediate supervisor" and remove "and"

Page 3, line 8, remove "immediate supervisor's" and remove "and supervisors"

Re-number accordingly

Date: 1-15-99

Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1174

House GOVERNMENT AND VETERANS AFFAIRS Committee

- Subcommittee on _____
- or
- Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS AS AMENDED

Motion Made By GURDER HAAS GRANDE Seconded By GRANDE

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN	✓		REP. WINRICH	✓	
VICE-CHAIR KLINISKE	✓				
REP. BREKKE	✓				
REP. CLEARY	✓				
REP. DEVLIN	✓				
REP. FAIRFIELD	✓				
REP. GORDER	✓				
REP. GRANDE	✓				
REP. HAAS	✓				
REP. HAWKEN	✓				
REP. KLEMIN	✓				
REP. KROEBER	✓				
REP. METCALF	✓				
REP. THORESON	✓				

Total (Yes) 15 No 0

Absent 0

Floor Assignment KLEMIN

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1174: Government and Veterans Affairs Committee (Rep. Klein, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1174 was placed on the Sixth order on the calendar.

Page 2, line 18, overstrike "ten" and insert immediately thereafter "twenty"

Page 2, line 19, remove "The"

Page 2, remove lines 20 and 21

Page 2, line 22, remove "thousand dollars."

Page 2, line 25, remove the overstrike over "~~is~~" and remove "and the employee's immediate"

Page 2, line 26, remove "supervisor are"

Page 2, line 29, remove "and immediate supervisor"

Page 2, line 30, remove "and supervisor"

Page 3, line 3, remove "and immediate"

Page 3, line 4, replace "supervisor, then" with an underscored comma

Page 3, line 6, remove "and"

Page 3, line 7, remove "immediate supervisor" and remove "and"

Page 3, line 8, remove "immediate supervisor's" and remove "and supervisors"

Re-number accordingly

1999 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1174

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1174

Senate Government and Veterans Affairs Committee

Conference Committee

Hearing Date March 5, 1999

Tape Number	Side A	Side B	Meter #
2	X		433-1377
Committee Clerk Signature <i>James A. Raib</i>			

Minutes: CHAIRMAN KREBSBACH opened the hearing on HB 1174 which relates to the state employee suggestion incentive program. Appearing before the committee to explain the bill was ROD BACKMAN with the office of management and budget. HB 1174 basically, let me give you a history first. This bill originally was passed in the 1993 session. The idea was to provide incentives to state employees if they could come up with good ideas for saving money in state government that they should receive some kind of reward for it. Basically the way the program works now is that they put together their idea that goes to a statewide committee who looks at it. If they approve it then they send it back to the agency and get some confirmation from the agency head that one it will work and two that it will save the dollars. Once it is put in place, you go through the year, the employee can actually get 10% of the amount that the idea saved up to a maximum of \$1000.00. He presented committee members with a handout regarding this program and past incentives that were successful. A copy of this handout is attached. OMB is in

Page 2

Senate Government and Veterans Affairs Committee

Bill/Resolution Number HB 1174

Hearing Date March 5, 1999

the process of doing some publicity things to make state employees more aware of this program.

With this bill, what we did in this bill was to ask that the maximum benefit move from \$1000.00 to \$2000.00. There were no questions from the committee. TOM TUPA representing INDSEA appeared to simply state that he and his organization support this bill. There was no further testimony in support of, neutral position, or opposition to HB 1174. The hearing was closed at this time. A motion for DO PASS was made by SENATOR WARDNER, seconded by SENATOR THANE. Prior to the roll call vote comments were offered by SENATORS WARDNER, THANE, and CHAIRMAN KREBSBACH. ROLL CALL VOTE indicated 6 YEAS, 0 NAYS, and 1 ABSENT OR NOT VOTING. SENATOR MUTZENBERGER volunteered to carry the bill. The committee was adjourned for the day.

Date: 3/05/99
Roll Call Vote #:

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1174

Senate GOVERNMENT AND VETERAN'S AFFAIRS Committee

- Subcommittee on _____
or
- Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Sen. Wardner Seconded By Sen Thane

Senators	Yes	No	Senators	Yes	No
SENATOR KREBSBACH	✓				
SENATOR WARDNER	✓				
SENATOR KILZER	✓				
SENATOR STENEHJEM					
SENATOR THANE	✓				
SENATOR DEMERS	✓				
SENATOR MUTZENBERGER	✓				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Sen. Mutzenberger

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 5, 1999 1:53 p.m.

Module No: SR-40-4169
Carrier: Mutzenberger
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1174, as engrossed: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1174 was rereferred to the Appropriations Committee.

1999 SENATE APPROPRIATIONS

HB 1174

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. ENGROSSED HB 1174

Senate Appropriations Committee

Conference Committee

Hearing Date 3/16/99; 3/23/99

Tape Number	Side A	Side B	Meter #
1	1596-2515		
3/23/99	875-1265		
Committee Clerk Signature <i>Gloria Anderson</i>			

Minutes:

SENATOR NETHING: Opened the hearing on engrossed HB 1174; a BILL for an Act to amend and reenact section 54-06-24 of the North Dakota Century Code, relating to the state employee suggestion incentive program.

ROD BACKMAN: OMB, The intent of this bill was to provide some incentive to employees to come up with suggestions that might save dollars for the state. The bill that passed allowed for a suggestions committee to review the suggestion; the agency then had to approve it. Once the suggestion is put into place, there would be a one-year time period to see how many dollars were actually saved. The employees were entitled to 10% of the savings up to a maximum of \$1,000. What we found over the years, is that we've not had a lot of suggestions, probably in the range of 3-4 per year. Last year we paid out \$800, the year before it was about \$2,600. I think there have only been 4 of them since 1993 that have met the \$1,000 maximum. We have taken some steps to promote it more, talk about it more in employee groups, and agencies to meet with their staff to encourage them to do it. The other thing that we attempted to do through this bill is to increase the maximum from \$1,000 to \$2,000. We left it at 10%; however, when it was on the House side, the House said if 10% is good, 20% should be twice as good. They amended it to provide for 20% of the savings to go to the employee up to a maximum of \$2,000. The other change within the bill is that the way the bill was originally written, if an employee in an agency came up with a suggestion, their award was limited to what was saved within their agency. We had some people that came up with some good suggestions and we were able to tell other agencies about it and generate some significant benefits statewide. But, yet the employee that came up with the idea only got the 10% that was saved within their agency. In the specific situation I'm thinking of, I think her benefit within the agency was \$40.00, and yet had she been able to collect the award on the savings that were generated statewide, it probably would have hit that \$1,000 maximum.

So what this bill does, is to set up a process where if an employee comes up with a suggestion that causes a benefit to go across more than one agency, they would actually get the award for the

total benefit, not just within their agency. The House asked if we had a concern about going to 20%. I responded we really didn't because you need to keep in mind these savings that we generate generally go on year after year, yet the employee's award is a one time event. I can give you an example, within OMB in our facilities management division, we had an electrician that came to us 2-3 years ago, and said I know we already have the lowest possible rate that we can get from MDU because of our volume, but I think you should talk to them and attempt to negotiate a percentage discount off that lowest rate. We did, and were able to get a 10% discount off their lowest rate. We're actually saving about \$5500 per month in our electric bill as a result of that. Yet the employee had a one-time \$1,000 award; whereas this benefit is going to go on for a 7-year contract. I don't have a problem going to the 20%. I think part of the thinking with the 20% was that if an employee came up with a significant savings, they could get up to \$2,000. If they came up with an item that was a small amount, let's say \$200, 10% would give them \$20; 20% would give some of those smaller items a little more incentive for the employee. I know this came to appropriations, but I don't believe there is an appropriation with it. Obviously the fiscal note attempts to show how much we might pay out, but also if you go back to the logic of this, whatever we pay out we're going to be generating 5 times more in savings in a year than what we pay out.

SENATOR NETHING: Now that this broadens this to other agencies, what happens if one of our fiscal people at the legislative council comes up with an idea, of course that is his or her job-that's what they should be doing, how do we deal with this? Or, your people in your office, obviously you wouldn't be, but you have some staff people whose job is to try to figure out how to save money, am I wrong in assuming they would get the reward?

BACKMAN: I think you're probably right. Managers and supervisors would not be entitled to it. You're probably right that technically there may need to be some language that would also exempt fiscal officers or budget-type people whose job is to save money.

SENATOR NETHING: I don't want to beat these good people out any opportunity.

SENATOR KRINGSTAD: I think you should include them. If they see someone else getting a bonus or reward for something that is within their realm, I think they should be treated the same way.

SENATOR ROBINSON: What is the history of this bill? Was it patterned after something that is in place in other states?

BACKMAN: I'm not sure.

SENATOR ST. AUBYN: I was the original prime sponsor of this bill. We looked at several other states that had similar type proposals. A lot of them didn't have a cap on it in terms of 10% or 20%, it was like a one-year savings. We felt that there probably should be some cap and that is how we came up with the 10% or \$1,000 originally.

SENATOR TOMAC: On the fiscal note, shouldn't this be balanced? This is never going to be paid out unless there is a savings greater than that savings somewhere. The fiscal note should be zero, if anything.

SENATOR NETHING: OMB prepared the fiscal note, so I guess we can ask them.

BACKMAN: I think you're right, and actually you should be dealing with plus numbers. You would never spend in this case \$6300, you'd have a plus side. It wouldn't necessarily be a revenue item.

SENATOR TOMAC: At the very minimum, it should be a zero because it is offsetting.

BACKMAN: I agree.

SENATOR ANDRIST: Are legislators state employees?

SENATOR NETHING: They are for some purposes, like insurance.
Closed the hearing on engrossed HB 1174.

=====
3/23/99 Tape 1, A, 875-1265

SENATOR NETHING: Reopened the hearing on engrossed HB 1174 and called for the motion.

SENATOR ST. AUBYN: Moved do pass amendment 09104.0201.

SENATOR TALLACKSON: Seconded the motion.

ROLL CALL: Unanimous voice vote to pass the amendment.

SENATOR ST. AUBYN: Moved do pass engrossed HB 1174 as amended.

SENATOR TALLACKSON: Seconded the motion.

ROLL CALL: 14 yeas; 0 nays; 0 absent

MOTION CARRIED TO DO PASS ENGROSSED HB 1174 AS AMENDED

CARRIER: SENATOR TALLACKSON

SENATOR NETHING: Closed the hearing.

Date: 3-23-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1174

Senate APPROPRIATIONS Committee

Subcommittee on _____
or

Conference Committee

✓ Legislative Council Amendment Number 98194.0201

Action Taken DO PASS

Motion Made By SENATOR ST. AUBYN Seconded By SENATOR TALLACKSON

Senators	Yes	No	Senators	Yes	No
Senator Nething, Chairman					
Senator Naaden, Vice Chairman					
Senator Solberg					
Senator Lindaas					
Senator Tallackson					
Senator Tomac					
Senator Robinson					
Senator Krauter					
Senator St. Aubyn					
Senator Grindberg					
Senator Holmberg					
Senator Kringstad					
Senator Bowman					
Senator Andrist					

Total (Yes) UNANIMOUS No _____

Absent _____

Floor Assignment SENATOR TALLACKSON

If the vote is on an amendment, briefly indicate intent:

Date: 3-23-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1174

Senate APPROPRIATIONS Committee

Subcommittee on _____
or

Conference Committee

✓ Legislative Council Amendment Number 98194.0201

Action Taken DO PASS AS AMENDED

Motion Made By SENATOR St. Aubyn Seconded By SENATOR Tallackson

Senators	Yes	No	Senators	Yes	No
Senator Nething, Chairman	✓				
Senator Naaden, Vice Chairman	✓				
Senator Solberg	✓				
Senator Lindaas	✓				
Senator Tallackson	✓				
Senator Tomac	✓				
Senator Robinson	✓				
Senator Krauter	✓				
Senator St. Aubyn	✓				
Senator Grindberg	✓				
Senator Holmberg	✓				
Senator Kringstad	✓				
Senator Bowman	✓				
Senator Andrist	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment SENATOR ~~W. H. ...~~ Tallackson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1174, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1174 was placed on the Sixth order on the calendar.

Page 1, line 12, remove the overstrike over "~~within the employee's agency~~"

Page 1, line 20, remove the overstrike over "~~the~~" and remove the overstrike over "~~agency~~"

Page 1, line 21, remove "government"

Page 2, line 1, after "(2)" insert "The recommendation or proposal is beyond the reasonable expectations of job performance for the employee who has made the suggestion."

(3)"

Page 2, line 3, overstrike "(3)" and insert immediately thereafter "(4)"

Page 2, line 4, remove the overstrike over "~~by the state~~"

Page 2, line 5, remove the overstrike over "~~agency~~"

Page 2, line 7, remove the overstrike over "~~employee submitting~~" and remove "agency benefiting from"

Page 2, line 8, remove "If the"

Page 2, remove lines 9 through 11

Page 2, line 25, remove "If the proposal to reduce expenditures benefits"

Page 2, remove lines 26 through 31

Page 3, remove line 1

Page 3, line 2, remove "the amount of the incentive or its proportionate share of the incentive."

Renumber accordingly

1999 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1174

CONFERENCE COMMITTEE

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1174

House Government and Veterans Affairs Committee

Conference Committee

Hearing Date 4-1-1999

Tape Number	Side A	Side B	Meter #
1	X		0 - 10.0
Committee Clerk Signature <i>J. McWill</i>			

Minutes: The Conference Committee consists of on the House side Representative Grande(Chair), Representative Haas and Representative Winrich. The Senate members are Senator Kilzer(Chair), Senator Wardner and Senator Mutzenburger.

Summary of the Bill: Relating to the state employee suggestion incentive program.

Representative Grande, Chairwoman of the Conference Committee called the committee to order.

I have asked Mr. Backman from OMB to explain to us what the House and Senate have done to the initial bill and what we would like to come up with.

Rod Backman, OMB submitted amendments. He stated that when OMB originally had the bill introduced, we had two things in mind. 1. We thought that the benefit to the employee (capped at 10% of the savings or maximum of \$1000) should be moved up to \$2000. 2. Under current law if an employee comes up with a suggestion that saves money in their agency, they can get

the 10% on that. If it saves money in other agencies, they can't be given an award for that. Our suggestion was that if their suggestion could be used state wide and save money, they would receive the benefit based on the states total benefit(savings). The House said that for some of the smaller awards that it should be moved from 10% to 20%. The Senate then amended it to say that isn't it the job of some of the employees involved to find money saving ideas (as part of their job description). They also thought this might cause people to start sticking their noses into other agency business. They amended it back to say that the only award you can get is within their agency. What OMB has done with their amendments is to compromise on these issues.

Representative Grande, The engrossed bill with the Senate amendments, when you put in OMB's amendments this makes what you have just told us the new bill.

Backman, Correct.

Senator Mutzenburger, It was the Senate Appropriation Committee that limited it to state agencies.

Backman, That's correct.

Senator Wardner, Were kind of in here conferencing for another committee. I did talk to Appropriations and were OK with this.

Representative Winrich, I think these amendments from OMB satisfy my concerns.

Representative Grande, When I met with Mr. Backman on his amendments, I took them to legislative council and had them draw them up to accomplish what we wanted here.

Committee Action:

Senator Wardner, Made the motion that the Senate recede from their amendments and adopt the .0202 legislative council amendments.

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House Government and Veterans Affairs Committee
Bill/Resolution Number HB 1174 Conference Committee
Hearing Date 4-1999

Representative Haas, Seconded the motion.

Motion Passes: Do Pass as Amended **6-0**.

Representative Grande, Is the carrier for the House.

Senator Kilzer, Is the carrier for the Senate.

Office of Management and Budget
March 29, 1999

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1174

Page 1, line 15, after expenditures., insert " The suggestion incentive committee may consider if the recommendation or proposal to reduce expenditures within the employee's agency may also apply to any or all other state agencies. The suggestion incentive committee must notify the office of management and budget of any recommendation that affects more than just the employing agency."

Page 1, line 20, overstrike "state agency." and replace with " employing state agency and other state agencies."

Page 2, line 7, overstrike "state agency. " and replace with "employing agency and any other agency affected by the recommendation or proposal."

Page 2, line 25, overstrike "that realized the savings"

Renumber accordingly

VR
4/1/99

CONFERENCE COMMITTEE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1174 GVA 4-1-99

That the Senate recede from its amendments as printed on page 1036 of the House Journal and pages 821 and 822 of the Senate Journal and that Engrossed House Bill No. 1174 be amended as follows:

Page 1, line 12, remove the overstrike over "~~within the employee's agency~~"

Page 1, line 15, after the period insert "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."

Page 1, line 20, remove the overstrike over "~~the~~" and insert immediately thereafter "employing" and remove the overstrike over "~~agency~~"

Page 1, line 21, replace "government" with "and any other state agency"

CONFERENCE COMMITTEE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1174 GVA 4-1-99

Page 2, line 1, after "(2)" insert "The recommendation or proposal is beyond the reasonable expectations of job performance for the employee who made the suggestion."

(3)"

Page 2, line 3, overstrike "(3)" and insert immediately thereafter "(4)"

Page 2, line 4, remove the overstrike over "~~by the~~" and insert immediately thereafter "employing" and remove the overstrike over "~~state~~"

Page 2, line 5, remove the overstrike over "~~agency~~" and insert immediately thereafter "and any other state agency affected by the recommendation or proposal"

Page 2, line 7, remove the overstrike over "~~employee submitting~~" and remove "agency benefiting from"

Page 2, line 8, remove "If the"

Page 2, remove lines 9 through 11

Page 2, line 25, overstrike "that realized the savings" and remove "If the proposal to reduce expenditures benefits"

Page 2, remove lines 26 through 31

CONFERENCE COMMITTEE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1174 GVA 4-1-99

Page 3, remove line 1

Page 3, line 2, remove "the amount of the incentive or its proportionate share of the incentive."

Re-number accordingly

(Bill Number) 1174 (, as (re)engrossed):

Your Conference Committee

For the Senate:

YES NO

KILZER ✓

WARDNER ✓

MITZENBERGER ✓

For the House:

YES NO

GRANDE ✓

HAAS ✓

WINRICH ✓

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)
723/724 725/726 S724/B726 S723/B725
the (Senate/House) amendments on (SJ/HJ) page(s) 1036 -

and place _____ on the Seventh order.
727

, adopt (further) amendments as follows, and place
✓ _____ on the Seventh order:

having been unable to agree, recommends that the committee be discharged
and a new committee be appointed. 690/515

((Re)Engrossed) 1174 was placed on the Seventh order of business on the
calendar.

DATE: 04/1/99

CARRIER: HOUSE - GRANDE SENATE - KILZER

LC NO. 98194 . 0202 of amendment
. 0400

LC NO. 98194 . 0202 of engrossment

Emergency clause added or deleted _____

Statement of purpose of amendment _____

(1) LC (2) LC (3) DESK (4) COMM.

REPORT OF CONFERENCE COMMITTEE

HB 1174, as engrossed: Your conference committee (Sens. Kilzer, Wardner, Mutzenberger and Reps. Grande, Haas, Winrich) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1036, adopt further amendments as follows, and place HB 1174 on the Seventh order:

That the Senate recede from its amendments as printed on page 1036 of the House Journal and pages 821 and 822 of the Senate Journal and that Engrossed House Bill No. 1174 be amended as follows:

Page 1, line 12, remove the overstrike over "~~within the employee's agency~~"

Page 1, line 15, after the period insert "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."

Page 1, line 20, remove the overstrike over "~~the~~" and insert immediately thereafter "employing" and remove the overstrike over "~~agency~~"

Page 1, line 21, replace "government" with "and any other state agency"

Page 2, line 1, after "(2)" insert "The recommendation or proposal is beyond the reasonable expectations of job performance for the employee who made the suggestion."

(3)"

Page 2, line 3, overstrike "(3)" and insert immediately thereafter "(4)"

Page 2, line 4, remove the overstrike over "~~by the~~" and insert immediately thereafter "employing" and remove the overstrike over "~~state~~"

Page 2, line 5, remove the overstrike over "~~agency~~" and insert immediately thereafter "and any other state agency affected by the recommendation or proposal"

Page 2, line 7, remove the overstrike over "~~employee submitting~~" and remove "agency benefiting from"

Page 2, line 8, remove "If the"

Page 2, remove lines 9 through 11

Page 2, line 25, overstrike "that realized the savings" and remove "If the proposal to reduce expenditures benefits"

Page 2, remove lines 26 through 31

Page 3, remove line 1

Page 3, line 2, remove "the amount of the incentive or its proportionate share of the incentive."

Renumber accordingly

Engrossed HB 1174 was placed on the Seventh order of business on the calendar.

1999 TESTIMONY

HB 1174

EMPLOYEE SUGGESTION INCENTIVE PROGRAM

Report on Suggestion Incentive Payments for the Year Ended June 30, 1998

The following agencies have notified the Office of Management and Budget of their Suggestion Incentive Payments for the year ended June 30, 1998 in response to a memo from Rod Backman, Director of Office of Management and Budget.

Agency 190 Retirement and Investment Office

A Suggestion Incentive Payment of \$800 was issued to Connie Flanagan. Connie's suggestion involved the internal preparation of investment allocation reports previously prepared by our master custodian. This resulted in annual savings of \$8000 to the funds that invest with the State Investment Board.

Agency 480 Job Service North Dakota

Job Service made one Suggestion Incentive Payment of \$13.75 to Lynne Huber who submitted a suggestion to obtain a postal discount by bar coding CES program reminder notices. The cost reduction to the agency was in the amount of \$137.50.

EMPLOYEE SUGGESTION INCENTIVE PROGRAM

Report on Suggestion Incentive Payments for the Year Ended June 30, 1997

The following agencies have notified the Office of Management and Budget of their Suggestion Incentive Payments for the year ended June 30, 1997 in response to a memo from Rod Backman, Director of Office of Management and Budget.

Agency 325 Department of Human Services

A Suggestion Incentive Payment of \$827.77 was issued to Kathy Paul. By examining and applying postal rates tables to mailing of the SFN 378, Kathy determined that these mail pieces could be sent for 18¢ each instead of .274¢. During the period starting 4-1-96 through 3-31-97, 88,055 SFN 378 were mailed. The savings accrued totaled \$8,277.17.

A Suggestion Incentive Payment of \$500 was issued to both Beverly Locken and Monica Vogel. Beverly and Monica suggested that DHS embark on a project to automate the identification and billing of major medical coverage for drug services.

A Suggestion Incentive Payment of \$198.33 was issued to Jane Ambers. Jane showed freight savings by weighing merchandise and selecting the cheapest shipper before shipping.

A Suggestion Incentive Payment of \$244.92 was issued to Terri Schmidt. Terri Schmidt gathered information from Federal Express stating that the department could use the same rates as the Federal government.

Agency 380 Job Service North Dakota

Job Service made one Suggestion Incentive Payment of \$422 which was split between Cindy Bosworth and Rick Pelishek who jointly submitted a suggestion to recycle the greenbar report printout binders. The cost reduction to the agency was in the amount of \$4,218.

EMPLOYEE SUGGESTION INCENTIVE PROGRAM

Report on Suggestion Incentive Payments for the Year Ended June 30, 1996

The following agencies have notified the Office of Management and Budget of their Suggestion Incentive Payments for the year ended June 30, 1996, in response to the memo dated July 11 from Rod Backman, Director of Office of Management and Budget.

Agency 301 ND Department of Health

The Department of Health made one Suggestion Incentive Payment of \$88.00 to an employee. The employee's suggestion was to add a 1-800 number for staff to utilize when calling into the office. The prior practice was for employees to use their telephone credit card. The cost of a credit card call was \$0.34 per minute while the cost of the 1-800 number was \$0.135 per minute. During the first year, the Department of Health saved \$884.03.

Agency 325 Department of Human Services

The Department of Human Services made a Suggestion Incentive Payment of \$172.80 to Marilyn Anderson. Marilyn's suggestion was that when patients' correspondents need to be contacted and cannot be reached by telephone, the Department asks a local law enforcement to contact the people, thereby not using a telegram - saving time and expense of the 3M Whisper Writer.

The Department of Human Services also paid Leone Stenberg, Pamela Hovden, and Barb Gaarder \$103.00 each for their employee suggestion relative to program payout for lock-in claims suspense automation project for Medical Assistance.

Agency 380 Job Service North Dakota

Job Service made one Suggestion Incentive Payment of \$16.05 to Max Niesar. Max's suggestion was to copy veterans reports for specific offices, rather than copy all reports for all offices. This saved \$21.43 in paper, and \$139.08 in postage for the year.

Agency 408 Public Service Commission

Public Service Commission made one Suggestion Incentive Payment of \$29.23 to Ron Dietz. Ron's suggestion was to eliminate the separate phone line to serve the needs of hearing impaired callers and replace that service with Relay North Dakota. This change saved the Commission \$292.25 during the twelve month period ending 11/30/95.

EMPLOYEE SUGGESTION INCENTIVE PROGRAM

Report on Suggestion Incentive Payments for the Year Ended June 30, 1995

The following agencies have notified the Office of Management and Budget of their Suggestion Incentive Payments for the year ended June 30, 1995, in response to the memo dated June 2 from Rod Backman, Director of Office of Management and Budget.

Agency 325 Department of Human Services

Four individuals submitted the same suggestion of using Post-It FAX notes instead of the full-sheet form. The estimated cost savings calculated at \$110.80 was split equally between the four people (\$27.70 each).

Agency 480 Job Service North Dakota

Job Service made one Suggestion Incentive Payment of \$1,000 to Thea Gilbertson. Thea's suggestion was to reduce the size of the Job Bank Index mailed to about 200 local offices, outreach stations, and other agencies. Two regular-size sheets of the Index are now put on one page with both sides of the paper copied. This saves \$15,000 in paper, copying, staff time, and postage per year.