

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
89th General Assembly  
Regular Session, 2013

# A Bill

HOUSE BILL 1877

By: Representatives H. Wilkins, Hutchison

## For An Act To Be Entitled

AN ACT TO ESTABLISH THE TEAM ARKANSAS SYSTEM; TO AUTHORIZE AN AWARD TO A STATE EMPLOYEE OR GROUP OF STATE EMPLOYEES WHO MAKES A SUGGESTION THAT RESULTS IN SAVINGS TO THE STATE UNDER CERTAIN CIRCUMSTANCES; AND FOR OTHER PURPOSES.

## Subtitle

TO ESTABLISH THE TEAM ARKANSAS SYSTEM; TO AUTHORIZE AN AWARD TO A STATE EMPLOYEE OR GROUP OF STATE EMPLOYEES WHO MAKES A SUGGESTION THAT RESULTS IN SAVINGS TO THE STATE UNDER CERTAIN CIRCUMSTANCES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 21-11-103 is amended to read as follows:

21-11-103. ~~Employee Suggestion~~ Team Arkansas System established.

There is established a program to be known as the ~~Employee Suggestion~~ Team Arkansas System to encourage the development of ideas for improving the economy and efficiency of state government, to grant awards for ideas of proper merit, and to implement them in the governmental process.

SECTION 2. Arkansas Code § 21-11-104 is amended to read as follows:

21-11-104. Rules and regulations – Procedure for submission of suggestions – Rejection or acceptance of employee suggestion.

(a) The Director of the Department of Finance and Administration, or his or her designee, is directed to develop and adopt rules and regulations



in accordance with this chapter for the administration of the Employee Suggestion System.

~~(b)(1) The rules shall provide for the direct submission of all suggestions to the Office of Personnel Management's Employee Suggestion System for determination of eligibility under the rules and regulations as authorized in this section.~~

~~(2) Eligible suggestions will be forwarded to the department director, or to the department director's designated representative, for evaluation of proper merit.~~

(b)(1) An employee suggestion shall be made in writing to the head of the state agency that is the employer of the employee or group of employees making the employee suggestion.

(2) To be eligible for an award made under this chapter, a employee or a group of employees must propose a change that is not currently under active consideration by the state agency or the Suggestion Award Board.

(3) If a duplicate employee suggestion is submitted, only the employee or group of employees who makes the first employee suggestion received is eligible for an award made under this chapter.

(c) Upon receiving an employee suggestion under subsection (b) of this section, a head of a state agency shall:

(1) Record and acknowledge receipt of the employee suggestion;

(2) Notify the employee or each employee in the group of employees who made the employee suggestion of any undue delays in the consideration of the employee suggestion; and

(3) Notify the board of the employee suggestion.

(d) If an employee suggestion is:

(1) Rejected by a state agency, the head of the state agency shall notify the board and the employee or each employee in the group of employees who made the employee suggestion of the rejection and the reason for rejection; or

(2)(A) Adopted by a state agency, the state agency shall report to the board on the adoption of the employee suggestion.

(B) The state agency shall include in its report the projected reduction, elimination, or avoidance of expenditures or improvement in operations made possible by the employee suggestion.

~~(3)(e) The names of individuals who make suggestions shall be kept~~

confidential unless such person is granted an award under this chapter.

SECTION 3. Arkansas Code § 21-11-105 is amended to read as follows:

21-11-105. Suggestion Team Arkansas Award Board – Review of agency decision.

(a)(1) There is created the Suggestion Team Arkansas Award Board.

(2) The membership of the board shall consist of the Director of the Department of Finance and Administration, the Personnel Director, who shall serve as chair, ~~and~~ the cochairs of the Legislative Council, and the cochairs of the Legislative Joint Auditing Committee.

(b) Regarding an employee suggestion made under this chapter, the board shall:

(1) Review state agency findings and recommendations;

(2) Evaluate the employee suggestion, taking into consideration state agency action and staff recommendations; and

(3)(A) Determine whether to make an award to the employee or to each employee in the group of employees who made the employee suggestion.

(B) If the board finds that more information is needed before determining whether to make an award, the board may delay making the determination until the information has been obtained.

~~(b)(c)~~ The decisions of the board regarding suggestions, awards, and appeals shall be final and binding to all parties concerned.

~~(c)(1) The board will review suggestions after the suggestor has filed a formal appeal.~~

~~(2)(d)~~ If, in the opinion of the board, further evaluation is needed, the board may request the state agency to reevaluate the suggestion.

SECTION 4. Arkansas Code § 21-11-107 is amended to read as follows:

21-11-107. Awards for employee suggestions.

~~(a)(1)(A) Any monetary award granted for a suggestion which may improve the economy and efficiency of state government shall be the greater of one hundred dollars (\$100) or ten percent (10%) of the amount of savings.~~

~~(B) However, the monetary award shall be limited to a maximum of five thousand dollars (\$5,000) unless a larger award is recommended by resolution of the General Assembly.~~

~~(2) If an employee's suggestion appears to be one which may~~

~~improve the economy and efficiency of state government but would require legislative enactment, the suggestor shall receive a monetary award as prescribed in subsection (a) of this section based on the actual net savings after the end of the first year following implementation of the suggestion.~~

(a)(1) An award under this chapter shall not exceed ten percent (10%) of the amount of an actual savings to the state in the first full fiscal year after an employee's suggestion is adopted.

(2) As used in this section, "actual savings" includes the actual reduction, elimination, or avoidance of expenditures or the improvement in operations reported under § 21-11-110.

(b)(1) If an award is made to each employee in a group of employees who made the employee suggestion, the head of the state agency that is the employer of the group of state employees shall determine the share of the award to be distributed to each employee in the group.

(2) The shares under subdivision (b)(1) of this section shall be proportionate, fair, and equitable based on the contributions by each employee to the employee suggestion.

~~(b)(c)~~ When implementation of a suggestion an employee suggestion would not result in cost reduction or avoidance but would visibly improve the operations of a process or program or improve public relations, safety, or effectiveness of operations as indicated in § 21-11-103, recognition of the suggestor employee or each employee in the group of employees who made the employee suggestion will be made by the issuance of a suitable certificate and a monetary award of one hundred dollars (\$100).

SECTION 5. Arkansas Code § 21-11-108 is amended to read as follows:

21-11-108. Payment of awards.

(a) When it is determined by the ~~Personnel Director~~ Team Arkansas Award Board that a monetary award is to be made under the rules of the ~~Employee Suggestion Team Arkansas System, he or she~~ the board shall certify the amount to the Chief Fiscal Officer of the State.

(b) The Chief Fiscal Officer of the State shall cause a transfer to be made of the amount of moneys awarded from the fund from which the benefiting employee is being paid to the State Central Services Fund.

(c) Notwithstanding any other provisions of law, the Treasurer of State shall issue warrants to employees for approved employee suggestions in

accordance with this chapter.

SECTION 6. Arkansas Code § 21-11-109 is amended to read as follows:

21-11-109. Funding.

(a) No agency, board, or commission shall receive additional appropriations or funds to carry out this chapter except the Office of Personnel Management of the Division of Management Services of the Department of Finance and Administration, which shall be allocated funds and appropriations to administer it.

(b) All monetary awards ~~prescribed in~~ under § 21-11-107(a) or (b) shall be made from the amount of appropriated money saved by the ~~suggestions of employees~~ employee suggestions.

(c) The minimum monetary award prescribed in § 21-11-107~~(b)~~(c) shall be made from the agency's existing appropriation for the general maintenance and operation of the agency.

SECTION 7. Arkansas Code Title 21, Chapter 11, is amended to add a new section to read as follows:

21-11-110 Report of state agency savings.

(a) A state agency that has adopted an employee suggestion under this chapter shall report an actual reduction, elimination, or avoidance of expenditures or improvement in operations made possible by the employee suggestion.

(b) The report required under subsection (a) of this section shall be made not later than thirty (30) day after the end:

(1) Of the fiscal year during which the employee suggestion was adopted; and

(2) Of any subsequent fiscal year during which the state agency realizes any actual reduction, elimination, or avoidance of expenditures or improvement in operations made possible by the employee suggestion.