

By: Williams

S.B. No. 1573

A BILL TO BE ENTITLED

AN ACT

relating to the state employee incentive program, including abolishing the Texas Incentive and Productivity Commission.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2108.021, Government Code, is renumbered as Section 2108.001, Government Code, and amended to read as follows:

Sec. 2108.001 [~~2108.021~~]. DEFINITIONS. In this chapter [~~subchapter~~]:

(1) "Agency coordinator" means a state employee who is designated by the administrative head [~~executive director~~] of the employee's agency to oversee a program the [~~act as the liaison between that~~] agency adopts under this chapter [~~and the commission~~].

(2) "Award" means any item used in recognition of a state employee who submits a suggestion under this chapter [~~a bonus or certificate of appreciation~~].

(3) "Cash award" [~~"Bonus"~~] means a monetary award that is granted to a state employee in recognition of [~~payment for~~] an employee suggestion.

(4) "Certificate of appreciation" means a nonmonetary award that is granted to a state employee in recognition of an employee suggestion.

(5) "Incentive program" means a [~~the~~] state employee

1 incentive program authorized under this chapter.

2 (6) "State agency" means a department, commission,
3 board, office, or other agency in the executive or judicial branch
4 of government that is created under the constitution or a statute of
5 this state.

6 (7) "State employee" means an employee of a state
7 agency and does not include an elected or appointed agency
8 official.

9 (8) "State employee group" means a group of two [~~four~~]
10 or more state employees employed by the same state agency.

11 SECTION 2. Section 2108.022, Government Code, is renumbered
12 as Section 2108.002, Government Code, and amended to read as
13 follows:

14 Sec. 2108.002 [~~2108.022~~]. STATE EMPLOYEE INCENTIVE PROGRAM.

15 (a) A state agency may adopt a state employee incentive
16 program consistent with this chapter.

17 (b) The purposes of the [~~state employee~~] incentive program
18 are to:

19 (1) reduce state expenditures, increase state
20 revenues, and improve the quality of state services; and

21 (2) recognize the contributions made by certain state
22 employees in achieving the purposes of this chapter [~~goals~~
23 ~~described in Subdivision (1)~~].

24 (c) A state agency that adopts an incentive program shall
25 develop written policies, procedures, and record-keeping measures
26 to administer the program in an equitable and consistent manner
27 that is consistent with this chapter. Such policies and procedures

1 shall address:

2 (1) situations in which similar but separate
3 suggestions are submitted by different state employees within a
4 certain time frame;

5 (2) the equitable distribution of awards among various
6 employees who submit a suggestion;

7 (3) whether a state employee who has submitted a
8 suggestion and who is later separated from employment with the
9 agency or who is deceased is eligible to receive an award under this
10 chapter;

11 (4) factors that will guide a determination of whether
12 a gift certificate, a certificate of appreciation, or other form of
13 recognition will be awarded instead of a cash award;

14 (5) whether decisions will be made administratively or
15 by the agency's governing body;

16 (6) whether and how a redetermination of an agency
17 decision will be permitted; and

18 (7) the number of years that will be used in computing
19 the amount of net annual savings or revenues a suggestion is
20 projected to create or has actually created.

21 (d) Suggestions and decisions shall be governed by the state
22 agency's policies, procedures, and criteria that are in effect at
23 the time the state employee submitted the suggestion.

24 (e) A state [(b) — An] employee may be recognized
25 [compensated] for a suggestion under the incentive program only as
26 provided by this chapter [subchapter].

27 SECTION 3. Section 2108.023, Government Code, is renumbered

1 as Section 2108.003, Government Code, and amended to read as
2 follows:

3 Sec. 2108.003 [~~2108.023~~]. AWARDS. (a) A state agency [~~The~~
4 ~~commission~~] may grant an award to an eligible state employee who
5 makes a suggestion that:

6 (1) reduces state expenditures, increases state
7 revenues, increases agency productivity, or improves the quality of
8 state services; [~~and~~]

9 (2) relates to the agency and:

10 (A) conserves energy;

11 (B) enhances safety;

12 (C) improves customer service; or

13 (D) results in the adoption of any other
14 innovation or improvement; and

15 (3) is approved and implemented.

16 (b) The state agency [~~commission~~] may grant an award during
17 or after [~~before the end of~~] the first year in which a suggestion is
18 implemented.

19 (c) The state agency [~~An award~~] must decide whether
20 recognition for a suggestion is warranted and must compute a cash
21 award, if appropriate, based [~~be computed~~] on the net [~~annual~~]
22 actual or projected savings or increased revenues, including
23 savings or increased revenues that:

24 (1) are realized during the period the suggestion
25 covers, with such period not to exceed the number of years the
26 agency determines by policy;

27 (2) result from increased productivity; and

1 (3) [~~that~~] are certified by the affected state
2 agency [~~and the commission~~].

3 (d) The value of an award shall not exceed the lesser [~~An~~
4 ~~employee is eligible for a bonus~~] of 10 percent of the net savings
5 or revenue increases or [~~not to exceed an award of~~] \$5,000. The
6 choice of award must be in accordance with state agency policy and
7 may consist of:

8 (1) a cash award;

9 (2) a gift certificate;

10 (3) a certificate of appreciation;

11 (4) administrative leave; or

12 (5) any other noncash award the state agency deems
13 appropriate [~~if the employee's suggestion results in savings or~~
14 ~~increased revenues, including savings or increased revenues that~~
15 ~~result from increased productivity, that:~~

16 [~~(1) can be computed using a cost-benefit analysis;~~
17 ~~and~~

18 [~~(2) equal or exceed \$500 after implementation costs.~~

19 [~~(c) An employee is not eligible for a bonus but may be~~
20 ~~recognized by a certificate of appreciation if the employee's~~
21 ~~suggestion results in:~~

22 [~~(1) intangible savings or benefits that cannot be~~
23 ~~computed using a cost-benefit analysis; or~~

24 [~~(2) a net annual savings or increase in revenues of~~
25 ~~less than \$500.~~

26 [~~(f) The commission may also issue a certificate of~~
27 ~~appreciation to each employee who is granted a bonus under this~~

1 ~~subchapter.~~

2 ~~[(g) The commission shall divide any bonus for a suggestion~~
3 ~~submitted by more than one employee among the employees submitting~~
4 ~~it].~~

5 SECTION 4. Section 2108.0236, Government Code, is
6 renumbered as Section 2108.004, Government Code, and amended to
7 read as follows:

8 Sec. 2108.004 [~~2108.0236~~]. STATE EMPLOYEE GROUPS. (a) A
9 state employee group each member of which is eligible under Section
10 2108.005 [~~2108.024~~] may submit a suggestion as a group. Except as
11 provided by this section, each provision in this chapter
12 [~~subchapter~~] that applies to a state employee or a state employee
13 suggestion applies, as appropriate, to a state employee group[~~7~~
14 ~~each member of a state employee group,~~] or a suggestion submitted by
15 a state employee group.

16 (b) A state employee group is eligible for a total cash
17 award [~~bonus~~] of 10 percent of the [~~first-year~~] net savings or
18 revenue increases, not to exceed an award of \$5,000, with the cash
19 award to be shared by the members [~~for each member~~] of the [~~state~~
20 ~~employee~~] group in accordance with state agency policy[~~, if the~~
21 ~~state employee group's suggestion results in savings or increased~~
22 ~~revenues to a state agency, including savings or increased revenues~~
23 ~~that result from increased productivity, that:~~

24 [~~(1) can be computed using a cost-benefit analysis,~~
25 ~~and~~

26 [~~(2) equal or exceed \$500 after implementation costs.~~

27 [~~(c) The commission shall divide any bonus for a suggestion~~

1 ~~submitted by a state employee group equally among the members of the~~
2 ~~group].~~

3 SECTION 5. Section 2108.024, Government Code, is renumbered
4 as Section 2108.005, Government Code, and amended to read as
5 follows:

6 Sec. 2108.005 [~~2108.024~~]. EMPLOYEE ELIGIBILITY TO
7 PARTICIPATE. (a) Each [~~state~~] employee of a state agency that
8 adopts an incentive program under this chapter is eligible to
9 participate in the [~~incentive~~] program except an employee:

10 (1) who has authority to implement the suggestion
11 being made;

12 (2) who is on an unpaid leave of absence;

13 (3) whose job description includes responsibility for
14 cost analysis, efficiency analysis, savings implementation, or
15 other similar programs in the employee's agency;

16 (4) who is involved in or has access to agency research
17 and development information used as the basis of the suggestion;

18 (5) whose job description or routine job duties
19 include developing the type of change in agency operations
20 recommended by the suggestion; or

21 (6) [~~who is an employee of the commission, or~~

22 [~~(7)~~] who is an elected or appointed official.

23 (b) A state [~~An~~] employee who is temporarily assigned by the
24 employee's agency to a group that is established for the purpose of
25 developing process improvements in that agency is not ineligible
26 under Subsection (a)(1) or (5) to participate in the incentive
27 program solely because of the employee's participation in that

1 group.

2 (c) A state agency may adopt, by policy, other criteria
3 regarding eligibility to participate in the incentive program or
4 eligibility to receive an award under this chapter. Policies
5 adopted under this subsection must be consistent with the
6 eligibility provisions of this chapter.

7 SECTION 6. Section 2108.037, Government Code, is renumbered
8 as Section 2108.006, Government Code, and is amended to read as
9 follows:

10 Sec. 2108.006 [~~2108.037~~]. TRANSFER OF SAVINGS [~~RETENTION OF~~
11 ~~FUNDS~~]. A state [~~(a) The commission and the affected agency shall~~
12 ~~certify to the comptroller the amount of the actual or projected~~
13 ~~savings or increased revenues attributable to an implemented~~
14 ~~suggestion.~~

15 [~~(b) The affected agency shall retain the amount of the~~
16 ~~actual or projected savings or increased revenues attributable to~~
17 ~~an implemented suggestion, to the extent that the savings comes~~
18 ~~from funds appropriated to the affected agency. A portion of the~~
19 ~~savings or revenues shall be used by the affected agency to pay~~
20 ~~bonuses awarded by the commission under this subchapter.~~

21 [~~(c) The affected~~] agency may transfer savings attributable
22 to an implemented suggestion from the first year of the fiscal
23 biennium to the second year of the fiscal biennium.

24 SECTION 7. Chapter 2108, Government Code, is amended by
25 adding Section 2108.007 to read as follows:

26 Sec. 2108.007. AGENCY DECISION FINAL; NO COURT REVIEW. A
27 state agency decision under this chapter is final and is not subject

1 to review by or appeal to a court or other entity.

2 SECTION 8. Section 201.0192, Agriculture Code, is amended
3 to read as follows:

4 Sec. 201.0192. STATE EMPLOYEE INCENTIVE INFORMATION. The
5 executive director or the executive director's designee shall
6 provide to state board employees information and training on the
7 benefits and methods of participating in the state employee
8 incentive program under [~~Subchapter B,~~] Chapter 2108, Government
9 Code.

10 SECTION 9. Section 81.037, Government Code, is amended to
11 read as follows:

12 Sec. 81.037. STATE EMPLOYEE INCENTIVE PROGRAM. The
13 executive director or the executive director's designee shall
14 provide to state bar employees information and training on the
15 benefits and methods of participation in the state employee
16 incentive program under [~~Subchapter B,~~] Chapter 2108.

17 SECTION 10. Section 2152.110, Government Code, is amended
18 to read as follows:

19 Sec. 2152.110. STATE EMPLOYEE INCENTIVE PROGRAM. The
20 executive director or the executive director's designee shall
21 provide to commission employees information and training on the
22 benefits and methods of participation in the state employee
23 incentive program under [~~Subchapter B,~~] Chapter 2108.

24 SECTION 11. Section 2306.0631, Government Code, is amended
25 to read as follows:

26 Sec. 2306.0631. STATE EMPLOYEE INCENTIVE PROGRAM. The
27 director or the director's designee shall provide to department

1 employees information and training on the benefits and methods of
2 participation in the state employee incentive program under
3 [~~Subchapter B,~~] Chapter 2108.

4 SECTION 12. Section 2306.6019, Government Code, is amended
5 to read as follows:

6 Sec. 2306.6019. STATE EMPLOYEE INCENTIVE PROGRAM. The
7 division director or the division director's designee shall provide
8 to division employees information and training on the benefits and
9 methods of participation in the state employee incentive program
10 under [~~Subchapter B,~~] Chapter 2108.

11 SECTION 13. Section 253.008, Occupations Code, is amended
12 to read as follows:

13 Sec. 253.008. TRAINING FOR EMPLOYEES ON STATE INCENTIVE
14 PROGRAM. The executive director or the executive director's
15 designee shall provide to board employees information and training
16 on the benefits and methods of participation in the state employee
17 incentive program under [~~Subchapter B,~~] Chapter 2108, Government
18 Code.

19 SECTION 14. Section 651.0512, Occupations Code, is amended
20 to read as follows:

21 Sec. 651.0512. TRAINING FOR EMPLOYEES ON STATE INCENTIVE
22 PROGRAM. The executive director or the executive director's
23 designee shall provide to commission employees information and
24 training on the benefits and methods of participation in the state
25 employee incentive program under [~~Subchapter B,~~] Chapter 2108,
26 Government Code.

27 SECTION 15. Section 901.106, Occupations Code, is amended

1 to read as follows:

2 Sec. 901.106. INFORMATION ON STATE EMPLOYEE INCENTIVE
3 PROGRAM. The executive director or the executive director's
4 designee shall provide to board employees information and training
5 on the benefits and methods of participation in the state employee
6 incentive program under [~~Subchapter B,~~] Chapter 2108, Government
7 Code.

8 SECTION 16. Section 1001.156, Occupations Code, is amended
9 to read as follows:

10 Sec. 1001.156. INFORMATION ON STATE EMPLOYEE INCENTIVE
11 PROGRAM. The executive director or the executive director's
12 designee shall provide to board employees information and training
13 on the benefits and methods of participation in the state employee
14 incentive program under [~~Subchapter B,~~] Chapter 2108, Government
15 Code.

16 SECTION 17. Section 1051.157, Occupations Code, is amended
17 to read as follows:

18 Sec. 1051.157. INFORMATION ON STATE EMPLOYEE INCENTIVE
19 PROGRAM. The executive director or the executive director's
20 designee shall provide to board employees information and training
21 on the benefits and methods of participation in the state employee
22 incentive program under [~~Subchapter B,~~] Chapter 2108, Government
23 Code.

24 SECTION 18. Section 1071.107, Occupations Code, is amended
25 to read as follows:

26 Sec. 1071.107. INFORMATION ON STATE EMPLOYEE INCENTIVE
27 PROGRAM. The executive director or the executive director's

1 designee shall provide to board employees information and training
2 on the benefits and methods of participation in the state employee
3 incentive program under [~~Subchapter B,~~] Chapter 2108, Government
4 Code.

5 SECTION 19. Section 1151.074, Occupations Code, is amended
6 to read as follows:

7 Sec. 1151.074. INFORMATION ON STATE EMPLOYEE INCENTIVE
8 PROGRAM. The executive director or the executive director's
9 designee shall provide to board employees information and training
10 on the benefits and methods of participation in the state employee
11 incentive program under [~~Subchapter B,~~] Chapter 2108, Government
12 Code.

13 SECTION 20. Section 11.0127, Parks and Wildlife Code, is
14 amended to read as follows:

15 Sec. 11.0127. TRAINING FOR EMPLOYEES ON STATE INCENTIVE
16 PROGRAM. The director or the director's designee shall provide to
17 agency employees information and training on the benefits and
18 methods of participation in the state employee incentive program
19 under [~~Subchapter B,~~] Chapter 2108, Government Code.

20 SECTION 21. Section 5.2275, Water Code, is amended to read
21 as follows:

22 Sec. 5.2275. STATE EMPLOYEE INCENTIVE PROGRAM. The
23 executive director or the executive director's designee shall
24 provide to commission employees information and training on the
25 benefits and methods of participation in the state employee
26 incentive program under [~~Subchapter B,~~] Chapter 2108, Government
27 Code.

1 SECTION 22. Section 6.196, Water Code, is amended to read as
2 follows:

3 Sec. 6.196. TRAINING ON STATE EMPLOYEE INCENTIVE PROGRAM.
4 The executive administrator or the executive administrator's
5 designee shall provide to agency employees information and training
6 on the benefits and methods of participation in the state employee
7 incentive program under [~~Subchapter B,~~] Chapter 2108, Government
8 Code.

9 SECTION 23. (a) Subchapters A and C, Chapter 2108,
10 Government Code, are repealed.

11 (b) The heading to Subchapter B, Chapter 2108, Government
12 Code, is repealed.

13 (c) Sections 2108.0235, 2108.025 through 2108.036, and
14 2108.039, Government Code, are repealed.

15 SECTION 24. The Texas Incentive and Productivity Commission
16 established under Subchapter A, Chapter 2108, Government Code, as
17 that subchapter existed prior to repeal by this Act, is abolished on
18 the effective date of this Act.

19 SECTION 25. This Act takes effect September 1, 2005.