

- SUBJECT:** Relating to the state employee incentive program
- COMMITTEE:** State Affairs — favorable, without amendment
- VOTE:** 9 ayes — Wolens, Counts, Craddick, Danburg, Longoria, Marchant, McCall, McClendon, Merritt
- 0 nays
- 6 absent — Turner, Bailey, Brimer, Hilbert, Hunter, D. Jones
- SENATE VOTE:** On final passage, May 10, 2001 — 29-0, on Local and Uncontested Calendar
- WITNESSES:** No public testimony
- BACKGROUND:** In 1993, the 73rd Legislature established the State Employee Incentive Program to encourage state employees to submit suggestions for reducing state expenditures, increasing state revenues, and improving the quality of state services. Contributions by certain state employees are recognized with awards and bonuses.
- DIGEST:** SB 1066 would modify eligibility requirements of the State Employee Incentive Program, increase the amount of savings to a state agency necessary for an employee or employee group to be eligible for a certificate or bonus, and provide leave without a deduction in salary as a reward for participation.
- Merit salary increases.** The required six-month period that would have to lapse between an employee's last promotion, enhanced compensation award, one-time merit payment, or merit salary increase for an employee to be eligible for a merit salary increase or a one-time merit payment would not apply to a merit salary increase under the program. Also, a merit salary increase under the program could not be counted by an agency when computing the maximum amount it spent for merit salary increases.

Leave time. A state employee could receive up to 24 hours of leave per fiscal year without a salary deduction as a reward for participating in the program.

Threshold for reward. The bill would increase from \$100 to \$500 the net annual savings or increase in state revenue that an employee suggestion would have to generate before the employee could qualify for a bonus or certificate of appreciation.

Process improvement groups. The Texas Incentive and Productivity Commission (TIPC) would have to encourage state employees to form groups to participate in the program on a temporary basis for the purpose of developing process improvements in a state agency.

Eligibility. An elected or appointed official would not be eligible to participate in the program. If an employee were temporarily assigned by the employee's agency to a group that was established to develop process improvements in that agency, then the employee would not be ineligible to participate in the program solely because of the employee's participation in that group.

Transfer of savings. An agency affected by the program could transfer savings attributable to an implemented suggestion from the first year of the fiscal biennium to the second year of the fiscal biennium.

Texas Incentive and Productivity (TIPC) publications. Certain provisions prohibiting a state agency from using appropriated money for publications using enhanced printing stock would not apply to a TIPC publication.

The bill would take effect September 1, 2001.