
SUBSTITUTE SENATE BILL 5082

State of Washington

67th Legislature

2021 Regular Session

By Senate Ways & Means (originally sponsored by Senators Fortunato, Hunt, and Kuderer)

READ FIRST TIME 02/17/21.

1 AN ACT Relating to reestablishing the productivity board;
2 amending RCW 41.60.020, 41.60.041, 41.60.050, 41.60.120, and
3 41.60.150; and reenacting and amending RCW 41.60.015.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 41.60.015 and 2011 1st sp.s. c 43 s 443 and 2011 1st
6 sp.s. c 21 s 30 are each reenacted and amended to read as follows:

7 (1) There is hereby created the productivity board staffed by the
8 office of financial management, which may also be known as the
9 employee involvement and recognition board. The board shall
10 administer the employee suggestion program and the teamwork incentive
11 program under this chapter.

12 (2) The board shall be composed of:

13 (a) ~~((The secretary of state who shall act as chairperson;~~

14 ~~(b))~~ The director of financial management or the director's
15 designee, who shall act as chair;

16 (b) The secretary of state;

17 (c) The director of enterprise services or the director's
18 designee;

19 (d) Three persons with experience in administering incentives
20 such as those used by industry, with the lieutenant governor,
21 ~~((secretary of state))~~ governor, and speaker of the house of

1 representatives each appointing one person by July 31, 2021. The
2 (~~secretary of state's~~) governor's appointee shall be a
3 representative of an employee organization certified as an exclusive
4 representative of at least one bargaining unit of classified
5 employees; and

6 (e) Two persons representing state agencies and institutions with
7 employees subject to chapter 41.06 RCW, and one person representing
8 those subject to chapter 28B.16 RCW, both appointed by the
9 (~~secretary of state~~) governor by July 31, 2021.

10 Members under subsection (2)(d) and (e) of this section shall be
11 appointed to serve three-year terms.

12 Members of the board appointed pursuant to subsection (2)(d) of
13 this section may be compensated in accordance with RCW 43.03.240. Any
14 board member who is not a state employee may be reimbursed for travel
15 expenses under RCW 43.03.050 and 43.03.060.

16 **Sec. 2.** RCW 41.60.020 and 1999 c 50 s 3 are each amended to read
17 as follows:

18 (1) The board shall formulate, establish, and maintain a
19 statewide employee suggestion program and adopt rules to allow for
20 agency unique suggestion programs. Employee suggestion programs are
21 developed to encourage and reward meritorious suggestions by state
22 employees that will promote efficiency and economy in the performance
23 of any function of state government: PROVIDED, That the program shall
24 include provisions for the processing of suggestions having
25 multiagency impact and post-implementation auditing of suggestions
26 for fiscal accountability.

27 (2) The board shall adopt rules necessary or appropriate for the
28 proper administration and for the accomplishment of the purposes of
29 this chapter. These rules shall include the adoption of a payment
30 award schedule that establishes the criteria for determining the
31 amounts of any financial or other awards under this chapter.

32 (3) The board shall prepare a topical list of all the
33 productivity awards granted and disseminate this information to the
34 legislature and all state government agencies that may be able to
35 adapt them to their procedures.

36 **Sec. 3.** RCW 41.60.041 and 1999 c 50 s 5 are each amended to read
37 as follows:

1 (1) Cash awards for suggestions generating net savings, revenue,
2 or both to the state shall be determined by the board, or the board's
3 designee, based on the payment award scale. No award may be granted
4 in excess of ten thousand dollars or 10 percent of the actual net
5 savings and/or revenue generated, whichever amount is less. Savings,
6 revenue, or both, shall be calculated for the first year of
7 implementation.

8 (2) The board shall establish guidelines for making cash awards
9 for suggestions for which benefits to the state are intangible or for
10 which benefits cannot be calculated.

11 (3) Funds for the awards shall be drawn from the appropriation of
12 the agency benefiting from the employee's suggestion. If the
13 suggestion reduces costs to a nonappropriated fund or reduces costs
14 paid without appropriation from a nonappropriated portion of an
15 appropriated fund, an award may be paid from the benefiting fund or
16 account without appropriation.

17 (4) Awards may be paid to state employees for suggestions which
18 generate new or additional money for the general fund or any other
19 funds of the state. The director of financial management shall
20 distribute moneys appropriated for this purpose with the concurrence
21 of the productivity board. Transfers shall be made from other funds
22 of the state to the general fund, in amounts equal to award payments
23 made by the general fund, for suggestions generating new or
24 additional money for those other funds.

25 **Sec. 4.** RCW 41.60.050 and 2019 c 415 s 960 are each amended to
26 read as follows:

27 The legislature shall appropriate from the personnel service fund
28 for the payment of administrative costs of the productivity board.
29 (~~However, during the 2015-2017, 2017-2019, and 2019-2021 fiscal~~
30 ~~biennia, the operations of the productivity board shall be~~
31 ~~suspended.))~~

32 **Sec. 5.** RCW 41.60.120 and 1999 c 50 s 9 are each amended to read
33 as follows:

34 The agency head may recommend an award amount to the board. Cash
35 awards for suggestion teams shall be up to 25 percent of the actual
36 net savings and/or revenue generated to be shared by the team in a
37 manner approved by the agency head, not to exceed \$10,000 per team
38 member. The board shall make the final determination as to whether an

1 award will be made in accordance with applicable rules governing the
2 teamwork incentive program. Awards will be based on the payment award
3 scale. Funds for the teamwork incentive award shall be drawn from the
4 agencies in which the unit is located or from the benefiting fund or
5 account without appropriation when additional revenue is generated to
6 the fund or account.

7 Awards may be paid to teams for process changes which generate
8 new or additional money for the general fund or any other funds of
9 the state. The director of the office of financial management shall
10 distribute moneys appropriated for this purpose with the concurrence
11 of the productivity board. Transfers shall be made from other funds
12 of the state to the general fund in amounts equal to award payments
13 made by the general fund, for innovations generating new or
14 additional money for those other funds.

15 **Sec. 6.** RCW 41.60.150 and 2011 1st sp.s. c 39 s 9 are each
16 amended to read as follows:

17 Other than suggestion awards and incentive pay unit awards,
18 agencies shall have the authority to recognize employees, either
19 individually or as a class, for accomplishments including outstanding
20 achievements, safety performance, longevity, outstanding public
21 service, or service as employee suggestion evaluators and
22 implementors. Recognition awards may not exceed two hundred dollars
23 in value per award. Such awards may include, but not be limited to,
24 cash or such items as pen and desk sets, plaques, pins, framed
25 certificates, clocks, and calculators. Award costs shall be paid by
26 the agency giving the award. (~~From February 15, 2010, through June~~
27 ~~30, 2013, recognition awards may not be given in the form of cash or~~
28 ~~cash equivalents such as gift certificates or gift cards.))~~

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