

**ESSB 5082** - H COMM AMD

By Committee on State Government & Tribal Relations

1 Strike everything after the enacting clause and insert the  
2 following:

3 **"Sec. 1.** RCW 41.60.015 and 2011 1st sp.s. c 43 s 443 and 2011  
4 1st sp.s. c 21 s 30 are each reenacted and amended to read as  
5 follows:

6 (1) ~~((There))~~ Subject to the availability of amounts appropriated  
7 for this specific purpose, there is hereby created the productivity  
8 board, which may also be known as the employee involvement and  
9 recognition board. The board shall administer the employee suggestion  
10 program and the teamwork incentive program under this chapter.

11 (2) The board shall be composed of:

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

13 (b) The director of financial management or the director's  
14 designee;

15 (c) The director of enterprise services or the director's  
16 designee;

17 (d) Three persons with experience in administering incentives  
18 such as those used by industry, with the lieutenant governor,  
19 secretary of state, and speaker of the house of representatives each  
20 appointing one person by July 31, 2022. The secretary of state's  
21 appointee shall be a representative of an employee organization  
22 certified as an exclusive representative of at least one bargaining  
23 unit of classified employees; and

24 (e) Two persons representing state agencies and institutions with  
25 employees subject to chapter 41.06 RCW, and one person representing  
26 ~~((these))~~ institutions of higher education with employees subject to  
27 chapter ~~((28B.16))~~ 41.06 RCW, ~~((both))~~ all appointed by the secretary  
28 of state by July 31, 2022.

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

31 Members of the board appointed pursuant to subsection (2) (d) of  
32 this section may be compensated in accordance with RCW 43.03.240. Any

1 board member who is not a state employee may be reimbursed for travel  
2 expenses under RCW 43.03.050 and 43.03.060.

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

5 (1) The board shall formulate, establish, and maintain a  
6 statewide employee suggestion program and adopt rules to allow for  
7 agency unique suggestion programs. Employee suggestion programs are  
8 developed to encourage and reward meritorious suggestions by state  
9 employees that will promote efficiency and economy in the performance  
10 of any function of state government: PROVIDED, That the program shall  
11 include provisions for the processing of suggestions having  
12 multiagency impact and post-implementation auditing of suggestions  
13 for fiscal accountability.

14 (2) The board shall adopt rules necessary or appropriate for the  
15 proper administration and for the accomplishment of the purposes of  
16 this chapter. These rules shall include the adoption of a payment  
17 award schedule that establishes the criteria for determining the  
18 amounts of any financial or other awards under this chapter.

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

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

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

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

35 (3) Funds for the awards shall be drawn from the appropriation of  
36 the agency benefiting from the employee's suggestion. If the  
37 suggestion reduces costs to a nonappropriated fund or reduces costs  
38 paid without appropriation from a nonappropriated portion of an

1 appropriated fund, an award may be paid from the benefiting fund or  
2 account without appropriation.

3 (4) Awards may be paid to state employees for suggestions which  
4 generate new or additional money for the general fund or any other  
5 funds of the state. The director of financial management shall  
6 distribute moneys appropriated for this purpose with the concurrence  
7 of the productivity board. Transfers shall be made from other funds  
8 of the state to the general fund, in amounts equal to award payments  
9 made by the general fund, for suggestions generating new or  
10 additional money for those other funds.

11 **Sec. 4.** RCW 41.60.050 and 2021 c 334 s 967 are each amended to  
12 read as follows:

13 The legislature shall appropriate from the personnel service fund  
14 for the payment of administrative costs of the productivity board.  
15 (~~However, during the 2015-2017, 2017-2019, 2019-2021, and 2021-2023~~  
16 ~~fiscal biennia, the operations of the productivity board shall be~~  
17 ~~suspended.))~~)

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

20 The agency head may recommend an award amount to the board. Cash  
21 awards for suggestion teams shall be up to 25 percent of the actual  
22 net savings and/or revenue generated to be shared by the team in a  
23 manner approved by the agency head, not to exceed \$10,000 per team  
24 member. The board shall make the final determination as to whether an  
25 award will be made in accordance with applicable rules governing the  
26 teamwork incentive program. Awards will be based on the payment award  
27 scale. Funds for the teamwork incentive award shall be drawn from the  
28 agencies in which the unit is located or from the benefiting fund or  
29 account without appropriation when additional revenue is generated to  
30 the fund or account.

31 Awards may be paid to teams for process changes which generate  
32 new or additional money for the general fund or any other funds of  
33 the state. The director of the office of financial management shall  
34 distribute moneys appropriated for this purpose with the concurrence  
35 of the productivity board. Transfers shall be made from other funds  
36 of the state to the general fund in amounts equal to award payments  
37 made by the general fund, for innovations generating new or  
38 additional money for those other funds.

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

3       Other than suggestion awards and incentive pay unit awards,  
4 agencies shall have the authority to recognize employees, either  
5 individually or as a class, for accomplishments including outstanding  
6 achievements, safety performance, longevity, outstanding public  
7 service, or service as employee suggestion evaluators and  
8 implementors. Recognition awards may not exceed two hundred dollars  
9 in value per award. Such awards may include, but not be limited to,  
10 cash or such items as pen and desk sets, plaques, pins, framed  
11 certificates, clocks, and calculators. Award costs shall be paid by  
12 the agency giving the award. (~~From February 15, 2010, through June~~  
13 ~~30, 2013, recognition awards may not be given in the form of cash or~~  
14 ~~cash equivalents such as gift certificates or gift cards.)) "~~

15       Correct the title.

EFFECT: Makes a technical correction to correct a reference to a repealed statute. Makes a grammatical change to clarify the appointment process for the three members representing agencies or institutions of higher education employees subject to the state civil service laws.

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