

CHAPTER 1029**STATE EMPLOYEE SUGGESTION SYSTEM***H.F. 2341*

AN ACT relating to establishing a state employee suggestion system.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 19.33, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

19.33 STATE EMPLOYEE SUGGESTION SYSTEM.

1. There is created a state employee suggestion system for the purpose of encouraging state employees to develop and submit ideas which will reduce costs and increase efficiency in state government and which will make monetary and other awards to state employees whose cost reduction ideas are adopted under the system.

2. The state comptroller shall provide necessary personnel for the efficient operation of the system. The state comptroller with approval of the executive council shall adopt rules as necessary for the administration of the system and to establish the award policy under which the system will operate. The rules shall include:

a. Eligibility standards and restrictions for both the state employee submitting the suggestion and the suggestion being submitted. The rules shall provide that suggestions relating to academic affairs, including teaching, research, and patient care programs at a university teaching hospital are ineligible.

b. Procedures for submitting and evaluating suggestions, including the responsibilities of each person involved in the system and providing that the final decision to implement shall be made by the director of the agency.

c. The method of payment or presentation of awards to employees.

d. Any other policies necessary to properly administer the system.

3. The executive council shall appoint an awards committee to review all suggestions being implemented by the departments. The awards committee shall determine each cash amount to be awarded to each suggester for an eligible cost reduction suggestion. The committee shall hear appeals regarding eligibility or award amounts. The appeal decisions made by the awards committee are final.

4. a. When a suggestion results in a direct cost reduction within state government, the suggester shall be awarded ten percent of the first year's net savings, not exceeding two thousand five hundred dollars. A cash award shall not be paid for a suggestion which saves less than one hundred dollars during the first year of implementation.

b. Appropriate noncash awards may be offered as an option to cash awards. The awards committee shall determine the optional noncash awards and the circumstances under which an option may be offered to a suggester.

5. An award made pursuant to this section shall be paid out of the appropriated funds of the department realizing the cost savings, but the payment of awards shall not violate any state or federal contract, law or regulation, or impair any agency contractual obligation.

6. There is created in the state treasury a valuable ideas for productivity fund. Each department shall transfer an amount equal to one-fifth of the first-year net savings of each implemented suggestion into the fund. The fund shall be used to pay the costs of administering the state employee suggestion system and providing a funding source for implementation of

suggestions by state departments. Expenditures from the fund shall be made on warrants drawn by the state comptroller. Any excess funds shall revert from the valuable ideas for productivity fund to the fund from which the money was originally appropriated on a prorated basis.

7. a. A department shall keep records of each suggestion implemented and the cost savings resulting from the suggestion for a period of one year from the date of implementation of the suggestion.

b. The state comptroller shall file a report with the governor and the general assembly for each fiscal year, relating to the administration and implementation of the suggestion system and the benefits for the state, the state departments, and state employees.

8. The awards committee may also authorize payment of awards as established in subsection 4 to designated groups of state employees who develop ideas to reduce costs. Rules for the administration of group awards shall be promulgated by the state comptroller and approved by the executive council.

9. The ability of employees to patent ideas submitted under this section is subject to all other agency rules and Code requirements pertaining to patents.

10. As used in this section, "department" means any department, agency, board, bureau, commission or other administrative office or unit of this state.

Approved March 11, 1982