



REPORTED CORRECTLY ENROLLED.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

*Senate* BILL NO. *166* *Franklin*

INTRODUCED BY *Jerguson Kelly* *Stuart Major*  
*Harding* *Bianchi* *Jacobson* *Wilhoit* *Ream*  
A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A LOCAL  
GOVERNMENT TO ESTABLISH AN EMPLOYEE INCENTIVE AWARD PROGRAM;  
AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. **Section 1.** Definitions. As used in  
[sections 1 through 6], the following definitions apply:

- (1) "Agency" means any office, board, bureau, commission, or department operated by a local government.
- (2) "Governing body" means the legislative authority of a local government.
- (3) "Local government" means any city, town, county, consolidated city-county, or school district.

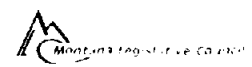
NEW SECTION. **Section 2.** Establishment of program. A governing body may develop and administer an employee incentive award program to appropriately recognize and monetarily reward local government employees in a timely manner for suggestions or inventions that contribute to the efficiency, economy, or other improvement of local government by reducing costs of governmental operations.

NEW SECTION. **Section 3.** Powers and duties of a governing body. A governing body shall:

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

- (1) adopt regulations to equitably administer the employee incentive award program;
  - (2) provide an opportunity for all employees to participate in the program;
  - (3) assist agencies in making incentive awards under the program;
  - (4) grant or deny incentive awards in consultation with the incentive awards advisory council if there is such a council;
  - (5) determine the amount of each incentive award;
  - (6) designate the source of funding for the awards; and
  - (7) hear appeals from employees on the operation of the program.
- NEW SECTION. **Section 4.** Appointment and functions of advisory council -- governing body as advisory council. (1) The governing body may appoint an incentive awards advisory council. Members of the advisory council must be selected from a diverse group to adequately represent employees.
- (2) The advisory council shall meet regularly and consult with the governing body to review all proposed incentive awards and to recommend granting or rejecting proposed awards.
- (3) The governing body may serve as the incentive awards advisory council in lieu of appointing a separate council.

INTRODUCED BILL  
*SB 166*



1 NEW SECTION. Section 5. Eligibility for award. (1)

2 Except as provided in subsection (2), an employee may be  
3 eligible for an incentive award if his suggestion or  
4 invention results in:

- 5 (a) eliminating or reducing an agency's expenditures;
- 6 or
- 7 (b) improving services to the public by permitting more  
8 work to be accomplished without increasing the cost of  
9 governmental operations.

10 (2) (a) An employee may not be eligible for an  
11 incentive award if his suggestion or invention directly  
12 relates to his assigned duties and responsibilities unless  
13 the proposal is so superior or meritorious as to warrant  
14 special recognition as determined by the governing body.

15 (b) Suggestions or inventions relating to the following  
16 matters may not be considered for awards:

- 17 (i) personnel grievances;
- 18 (ii) classification and pay of positions;
- 19 (iii) matters recommended for study or review; and
- 20 (iv) proposals resulting from assigned or contracted  
21 audits, studies, surveys, reviews, or research.

22 NEW SECTION. Section 6. Agency head to grant award.

23 After an agency implements an employee's suggestion or  
24 invention and the amount of monetary savings to the local  
25 government is estimated, an agency head, upon written

1 application to and approval from the governing body and the  
2 incentive awards advisory council, if there is such a  
3 council, may grant an incentive award to an employee whose  
4 proposal meets the requirements of [section 5].

5 NEW SECTION. Section 7. Effective date. [This act] is  
6 effective July 1, 1991.

-End-

1 *Senate* BILL NO. *166* *House*  
 2 INTRODUCED BY *Jerguson Kelly* *Stewart* *Wagner*  
 3 *Harding* *Bianchi* *Jackson* *Ream*

4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A LOCAL  
 5 GOVERNMENT TO ESTABLISH AN EMPLOYEE INCENTIVE AWARD PROGRAM;  
 6 AND PROVIDING AN EFFECTIVE DATE."

7  
 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 NEW SECTION. **Section 1. Definitions.** As used in  
 10 [sections 1 through 6], the following definitions apply:

11 (1) "Agency" means any office, board, bureau,  
 12 commission, or department operated by a local government.

13 (2) "Governing body" means the legislative authority of  
 14 a local government.

15 (3) "Local government" means any city, town, county,  
 16 consolidated city-county, or school district.

17 NEW SECTION. **Section 2. Establishment of program.** A  
 18 governing body may develop and administer an employee  
 19 incentive award program to appropriately recognize and  
 20 monetarily reward local government employees in a timely  
 21 manner for suggestions or inventions that contribute to the  
 22 efficiency, economy, or other improvement of local  
 23 government by reducing costs of governmental operations.

24 NEW SECTION. **Section 3. Powers and duties of a**  
 25 governing body. A governing body shall:

1 (1) adopt regulations to equitably administer the  
 2 employee incentive award program;

3 (2) provide an opportunity for all employees to  
 4 participate in the program;

5 (3) assist agencies in making incentive awards under  
 6 the program;

7 (4) grant or deny incentive awards in consultation with  
 8 the incentive awards advisory council if there is such a  
 9 council;

10 (5) determine the amount of each incentive award;

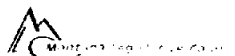
11 (6) designate the source of funding for the awards; and

12 (7) hear appeals from employees on the operation of the  
 13 program.

14 NEW SECTION. **Section 4. Appointment and functions of**  
 15 advisory council -- governing body as advisory council. (1)  
 16 The governing body may appoint an incentive awards advisory  
 17 council. Members of the advisory council must be selected  
 18 from a diverse group to adequately represent employees.

19 (2) The advisory council shall meet regularly and  
 20 consult with the governing body to review all proposed  
 21 incentive awards and to recommend granting or rejecting  
 22 proposed awards.

23 (3) The governing body may serve as the incentive  
 24 awards advisory council in lieu of appointing a separate  
 25 council.



1        NEW SECTION. Section 5. Eligibility for award. (1)  
 2        Except as provided in subsection (2), an employee may be  
 3        eligible for an incentive award if his suggestion or  
 4        invention results in:

5            (a) eliminating or reducing an agency's expenditures;  
 6        or

7            (b) improving services to the public by permitting more  
 8        work to be accomplished without increasing the cost of  
 9        governmental operations.

10        (2) (a) An employee may not be eligible for an  
 11        incentive award if his suggestion or invention directly  
 12        relates to his assigned duties and responsibilities unless  
 13        the proposal is so superior or meritorious as to warrant  
 14        special recognition as determined by the governing body.

15        (b) Suggestions or inventions relating to the following  
 16        matters may not be considered for awards:

- 17            (i) personnel grievances;
- 18            (ii) classification and pay of positions;
- 19            (iii) matters recommended for study or review; and
- 20            (iv) proposals resulting from assigned or contracted
- 21        audits, studies, surveys, reviews, or research.

22        NEW SECTION. Section 6. Agency head to grant award.

23        After an agency implements an employee's suggestion or  
 24        invention and the amount of monetary savings to the local  
 25        government is estimated, an agency head, upon written

1        application to and approval from the governing body and the  
 2        incentive awards advisory council, if there is such a  
 3        council, may grant an incentive award to an employee whose  
 4        proposal meets the requirements of [section 5].

5        NEW SECTION. Section 7. Effective date. [This act] is  
 6        effective July 1, 1991.

-End-

1 *Senate* BILL NO. *166* *Workmen*  
 2 INTRODUCED BY *Jerguson Volleys* *Shute* *Miguel* *West*  
 3 *Harding* *Beauchamp* *Jackson* *Wilhoit* *Ream*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A LOCAL  
 5 GOVERNMENT TO ESTABLISH AN EMPLOYEE INCENTIVE AWARD PROGRAM;  
 6 AND PROVIDING AN EFFECTIVE DATE."

7  
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 NEW SECTION. Section 1. Definitions. As used in  
10 [sections 1 through 6], the following definitions apply:

11 (1) "Agency" means any office, board, bureau,  
12 commission, or department operated by a local government.

13 (2) "Governing body" means the legislative authority of  
14 a local government.

15 (3) "Local government" means any city, town, county,  
16 consolidated city-county, or school district.

17 NEW SECTION. Section 2. Establishment of program. A  
18 governing body may develop and administer an employee  
19 incentive award program to appropriately recognize and  
20 monetarily reward local government employees in a timely  
21 manner for suggestions or inventions that contribute to the  
22 efficiency, economy, or other improvement of local  
23 government by reducing costs of governmental operations.

24 NEW SECTION. Section 3. Powers and duties of a  
25 governing body. A governing body shall:

1 (1) adopt regulations to equitably administer the  
2 employee incentive award program;

3 (2) provide an opportunity for all employees to  
4 participate in the program;

5 (3) assist agencies in making incentive awards under  
6 the program;

7 (4) grant or deny incentive awards in consultation with  
8 the incentive awards advisory council if there is such a  
9 council;

10 (5) determine the amount of each incentive award;

11 (6) designate the source of funding for the awards; and

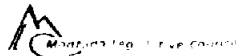
12 (7) hear appeals from employees on the operation of the  
13 program.

14 NEW SECTION. Section 4. Appointment and functions of  
15 advisory council -- governing body as advisory council. (1)  
16 The governing body may appoint an incentive awards advisory  
17 council. Members of the advisory council must be selected  
18 from a diverse group to adequately represent employees.

19 (2) The advisory council shall meet regularly and  
20 consult with the governing body to review all proposed  
21 incentive awards and to recommend granting or rejecting  
22 proposed awards.

23 (3) The governing body may serve as the incentive  
24 awards advisory council in lieu of appointing a separate  
25 council.

THIRD READING



NEW SECTION. **Section 5. Eligibility for award.** (1)

Except as provided in subsection (2), an employee may be eligible for an incentive award if his suggestion or invention results in:

- (a) eliminating or reducing an agency's expenditures;
- or
- (b) improving services to the public by permitting more work to be accomplished without increasing the cost of governmental operations.

(2) (a) An employee may not be eligible for an incentive award if his suggestion or invention directly relates to his assigned duties and responsibilities unless the proposal is so superior or meritorious as to warrant special recognition as determined by the governing body.

(b) Suggestions or inventions relating to the following matters may not be considered for awards:

- (i) personnel grievances;
- (ii) classification and pay of positions;
- (iii) matters recommended for study or review; and
- (iv) proposals resulting from assigned or contracted audits, studies, surveys, reviews, or research.

NEW SECTION. **Section 6. Agency head to grant award.**

After an agency implements an employee's suggestion or invention and the amount of monetary savings to the local government is estimated, an agency head, upon written

application to and approval from the governing body and the incentive awards advisory council, if there is such a council, may grant an incentive award to an employee whose proposal meets the requirements of [section 5].

NEW SECTION. **Section 7. Effective date.** [This act] is effective July 1, 1991.

-End-



## 1 SENATE BILL NO. 166

2 INTRODUCED BY JERGESON, HALLIGAN, DOHERTY,

3 FRANKLIN, WATERMAN, HARDING, BIANCHI,

4 JACOBSON, WILLIAMS, REAM

5  
6 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A LOCAL  
7 GOVERNMENT TO ESTABLISH AN EMPLOYEE INCENTIVE AWARD PROGRAM;  
8 AND PROVIDING AN EFFECTIVE DATE."9  
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:11 NEW SECTION. Section 1. Definitions. As used in  
12 [sections 1 through 6], the following definitions apply:13 (1) "Agency" means any office, board, bureau,  
14 commission, or department operated by a local government.15 (2) "Governing body" means the legislative authority of  
16 a local government.17 (3) "Local government" means any city, town, county,  
18 consolidated city-county, or school district.19 NEW SECTION. Section 2. Establishment of program. A  
20 governing body may develop and administer an employee  
21 incentive award program to appropriately recognize and  
22 monetarily reward local government employees in a timely  
23 manner for suggestions or inventions that contribute to the  
24 efficiency, economy, or other improvement of local  
25 government by reducing costs of governmental operations.1 NEW SECTION. Section 3. Powers and duties of a  
2 governing body. A governing body shall:3 (1) adopt regulations to equitably administer the  
4 employee incentive award program;5 (2) provide an opportunity for all employees to  
6 participate in the program;7 (3) assist agencies in making incentive awards under  
8 the program;9 (4) grant or deny incentive awards in consultation with  
10 the incentive awards advisory council if there is such a  
11 council;

12 (5) determine the amount of each incentive award;

13 (6) designate the source of funding for the awards; and

14 (7) hear appeals from employees on the operation of the  
15 program.16 NEW SECTION. Section 4. Appointment and functions of  
17 advisory council -- governing body as advisory council. (1)  
18 The governing body may appoint an incentive awards advisory  
19 council. Members of the advisory council must be selected  
20 from a diverse group to adequately represent employees.21 (2) The advisory council shall meet regularly and  
22 consult with the governing body to review all proposed  
23 incentive awards and to recommend granting or rejecting  
24 proposed awards.

25 (3) The governing body may serve as the incentive

1 awards advisory council in lieu of appointing a separate  
2 council.

3 NEW SECTION. **Section 5.** Eligibility for award. (1)

4 Except as provided in subsection (2), an employee may be  
5 eligible for an incentive award if his suggestion or  
6 invention results in:

7 (a) eliminating or reducing an agency's expenditures;  
8 or

9 (b) improving services to the public by permitting more  
10 work to be accomplished without increasing the cost of  
11 governmental operations.

12 (2) (a) An employee may not be eligible for an  
13 incentive award if his suggestion or invention directly  
14 relates to his assigned duties and responsibilities unless  
15 the proposal is so superior or meritorious as to warrant  
16 special recognition as determined by the governing body.

17 (b) Suggestions or inventions relating to the following  
18 matters may not be considered for awards:

- 19 (i) personnel grievances;  
20 (ii) classification and pay of positions;  
21 (iii) matters recommended for study or review; and  
22 (iv) proposals resulting from assigned or contracted  
23 audits, studies, surveys, reviews, or research.

24 NEW SECTION. **Section 6.** Agency head to grant award.

25 After an agency implements an employee's suggestion or

1 invention and the amount of monetary savings to the local  
2 government is estimated, an agency head, upon written  
3 application to and approval from the governing body and the  
4 incentive awards advisory council, if there is such a  
5 council, may grant an incentive award to an employee whose  
6 proposal meets the requirements of [section 5].

7 NEW SECTION. **Section 7.** Effective date. [This act] is  
8 effective July 1, 1991.

-End-