

HOUSE BILL 552

IN THE HOUSE

|                   |                                                                     |
|-------------------|---------------------------------------------------------------------|
| February 3, 1979  | Introduced and referred to<br>Committee on State<br>Administration. |
| February 19, 1979 | Committee recommend bill,<br>do not pass.                           |
| February 20, 1979 | Report adopted.                                                     |

1 *HOUSE* BILL NO. *552*  
 2 INTRODUCED BY *F. G. Felt* *John Ramsey* *Arvid Swertsen*  
 3 *VINCENT* *Missouri* *H. Fredrickson* *Kemmis*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE THE  
 5 DEPARTMENT OF ADMINISTRATION TO DEVELOP A PROGRAM OF  
 6 INCENTIVES FOR STATE EMPLOYEES WHO SAVE THE STATE TIME AND  
 7 MONEY AND A PROGRAM TO PROVIDE FOR THE TRANSFER OF  
 8 APPROPRIATE SERVICES AND FUNCTIONS FROM THE STATE TO THE  
 9 PRIVATE SECTOR; AND TO REQUIRE THE DEPARTMENT TO REPORT ON  
 10 SUGGESTED PROGRAMS TO THE LEGISLATURE IN 1981."

11  
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Development of a state employee incentive  
 14 program. (1) The department of administration shall develop  
 15 a program to provide incentives for state employees who  
 16 develop ideas that save the state time and money.

17 (2) One approach that must be considered is a bonus  
 18 system whereby an employee would be entitled to receive a  
 19 percentage of the amount saved the state due to an idea of  
 20 the employee.

21 (3) Another approach that must be considered is an  
 22 awards system whereby an employee would be entitled to a  
 23 cash award based on the value of the idea.

24 (4) The department may consider approaches other than  
 25 those in subsections (2) and (3) and is encouraged to

1 contact other states, universities, and private corporations  
 2 to determine other alternatives.

3 Section 2. Development of program to utilize the  
 4 private sector for state programs. The department of  
 5 administration shall review the services and functions of  
 6 state government and shall develop a program for the  
 7 transfer of appropriate services and functions to the  
 8 private sector of the economy. In developing this program,  
 9 the department shall recommend those services and functions  
 10 that can be proven to be more efficiently and economically  
 11 carried out by the private sector.

12 Section 3. Department to report to legislature. (1)  
 13 The department of administration shall report to the  
 14 legislature on its proposals, including legislation, to  
 15 implement the programs required by [sections 1 and 2].

16 (2) The report, including suggested legislation, shall  
 17 be prepared by October 1, 1980 and shall be presented to the  
 18 legislature in 1981.

-End-

-2- *HE 552*  
 INTRODUCED BILL

STATE OF MONTANA

REQUEST NO. 237-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 5, 19 79, there is hereby submitted a Fiscal Note for House Bill 552 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to develop a program of incentives for state employees who save the state time and money and a program to provide for the transfer of appropriate services and functions from the state to the private sector; and to require the Department of Administration to report on suggested programs to the legislature in 1981.

ASSUMPTIONS:

1. One FTE position (Grade 15) will be required to carry out the specified requirements. Also, clerical assistance amounting to one hour per day will be required.
2. Additional operating costs for computer time, supplies, and travel expenses (\$5,000 per year) and for contracted research (\$10,000 per year) will be required.

FISCAL IMPACT:

|                                          |                 |                 |
|------------------------------------------|-----------------|-----------------|
| Additional cost of proposed legislation: | <u>FY80</u>     | <u>FY81</u>     |
| Personal services                        | \$23,700        | \$24,800        |
| Operating costs                          | <u>15,000</u>   | <u>15,000</u>   |
| Total                                    | <u>\$38,700</u> | <u>\$39,800</u> |

The additional cost must be funded from the State General Fund.

*Richard A. Lang*  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2/9/79