

SENATE BILL NO 452

Introduced: 02/16/83

Referred to Committee on State Administration: 02/16/83

Hearing: 2/18/83

Report: 02/18/83, Do Pass

2nd Reading: 02/22/83

3rd Reading: 02/23/83

Transmitted to House: 02/23/83

Referred to Committee on State Administration: 02/28/83

Hearing: 3/9/83

Report: 03/10/83, Be Concurred In, As Amended

Rereferred to Committee on Appropriations: 3/12/83

Hearing: 4/7/83

Report: 04/07/83, Be Concurred In

2nd Reading: 04/08/83, Be Concurred In

3rd Reading: 04/11/83, Be Concurred In

Returned to Senate With Amendments: 4/12/83

Referred to Committee on Rules: 04/13/83

Report: 04/14/83, Be Adopted

2nd Reading: 04/18/83, Be Concurred In

3rd Reading: 04/19/83, Be Concurred In

On Motion Reconsider Action 4/19/83

Rereferred to committee on Rules 4/19/83 As Amendments Not  
In Accordance With Joint Rules

Returned to House: 04/19/83

Placed on 2nd Reading: 4/20/83

Pass Consideration: 4/21/83

Died in Committee.

1 *Senate* BILL NO. *452*  
2 INTRODUCED BY *Fuller J. Brown*  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE  
5 DEPARTMENT OF ADMINISTRATION TO ADMINISTER A STATEWIDE  
6 CITIZENS' SUGGESTIONS PROGRAM TO AWARD CITIZENS FOR  
7 COST-SAVING PROPOSALS; AND PROVIDING A TERMINATION DATE."  
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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
10 Section 1. Definitions. As used in [sections 1 through  
11 7], the following definitions apply:  
12 (1) "Agency head" means a director, commissioner, or  
13 constitutional officer in charge of an executive,  
14 legislative, or judicial branch agency or an agency of the  
15 Montana university system.  
16 (2) "Department" means the department of  
17 administration provided for in 2-15-1001.  
18 Section 2. Creation and purpose of program. The  
19 department shall develop and administer a statewide  
20 citizens' suggestions program to:  
21 (1) recognize and reward citizens for suggestions or  
22 inventions contributing to the efficiency and economy of  
23 state government;  
24 (2) encourage citizens to take an active interest in  
25 state government; and

1 (3) promote a better understanding among the citizens  
2 of the state of the operation and function of state  
3 government.  
4 Section 3. Powers and duties of department. The  
5 department shall:  
6 (1) adopt rules to equitably administer the citizens'  
7 suggestions program, addressing the following subjects as  
8 well as others:  
9 (a) methods for soliciting ideas;  
10 (b) application procedures;  
11 (c) procedures for reviewing suggestions; and  
12 (d) method for making awards;  
13 (2) assist agencies in evaluating suggestions or  
14 inventions and selecting recipients for awards;  
15 (3) approve agency recommendations for granting  
16 awards, in consultation with the incentive awards advisory  
17 council established under 2-18-1104, and determine the  
18 amount of each incentive award based on first-year monetary  
19 savings; and  
20 (4) prepare a biennial report to the legislature  
21 containing a list of citizen awards and the corresponding  
22 savings to the state resulting from each citizen's  
23 suggestion or invention and providing a general review of  
24 and recommendations for improving the program.  
25 Section 4. Eligibility for award. (1) Except as

provided in subsection (2), a citizen of the state, as defined in 1-1-402, who is not an employee eligible to participate in the employee incentive award program established under Title 2, chapter 18, part 11, may be eligible for an 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 within an agency without increasing the cost of governmental operations.

(2) A suggestion or invention relating to matters recommended for study or review or a proposal resulting from assigned or contracted audits, studies, reviews, or research may not be considered for an award.

Section 5. Procedure for granting award. (1) The department shall transmit each suggestion or invention received under the program to the state agency affected by the suggestion.

(2) The agency shall evaluate the suggestion or invention and recommend to the department whether an award should be granted, based on cost savings to the agency after implementing the suggestion.

(3) If the department, after consulting with the advisory council established under 2-18-1104, approves an

agency's recommendation for an award, the agency head may grant an award to a citizen whose proposal meets the requirements in [section 4].

Section 6. Amount and source of award. (1) The amount of an award granted under this program may not be more than 10% of the savings resulting from implementing the citizen's proposal for 1 year, up to a maximum of \$500. Larger awards may be proposed and submitted to the legislature for consideration.

(2) The agency head shall pay the citizen from the agency's budget in a single, lump-sum award.

Section 7. State not liable. The state is not liable for failure to adopt or implement any suggestion or invention submitted under this program.

Section 8. Termination date. The provisions of this act terminate October 1, 1985.

-End-

## STATE OF MONTANA

REQUEST NO. 462-83

## FISCAL NOTE

Form BD-15

In compliance with a written request received February 17, 19 83, there is hereby submitted a Fiscal Note for Senate Bill 452 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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:

Senate Bill 452 expands the "State Employee Incentive Awards Program" to all citizens of the State of Montana.

ASSUMPTIONS:

- 1) An additional 1.5 FTE is assigned to help administer and promote the program.
- 2) Travel expenses to promote and explain the program are estimated at \$5,000 in each year.
- 3) Advertising, promotional and printing costs are estimated at \$9,000 in each year.
- 4) 1,000 suggestions will be submitted by citizens each year. Of these, 20 will result in average first year cost savings of \$10,000 each.
- 5) Agency personal service costs, estimated at \$25,000 each year, are widely dispersed and absorbed.

FISCAL IMPACT:

	<u>FY84</u>	<u>FY85</u>	<u>TOTAL BIENNIUM</u>
Expenditures			
Personal Services	\$ 28,500	\$ 29,700	\$ 58,200
Operating Expenses	<u>14,000</u>	<u>14,000</u>	<u>28,000</u>
Total Expenditures To			
General Fund	<u>\$ 42,500</u>	<u>\$ 43,700</u>	<u>\$ 86,200</u>
ESTIMATED COST SAVINGS			
OF SUGGESTIONS	<u>\$(200,000)</u>	<u>\$(200,000)</u>	<u>\$(400,000)</u>

COMMENT:

The personal service and operating costs listed above are incurred by the Department of Administration, Personnel Division. Any resulting savings will accrue to the agency that implements the suggestion.

FISCAL NOTE 16: R/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-20-83

## 1 STATEMENT OF INTENT

## 2 SENATE BILL 452

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7 government operations without increasing costs. The  
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9 awards is limited to 10% of the cost savings realized in the  
10 first year or \$500, whichever is less. Larger awards may be  
11 proposed, but the Legislature must approve the awards and  
12 appropriate the money.

13 The purpose for giving the Department of Administration  
14 rulemaking authority is that it can best administer the  
15 program consistently throughout state government and  
16 determine the amount of money appropriate for an incentive  
17 award.

18 It is contemplated that the rules should address the  
19 following:

20 (1) the procedure and bylaws that the Advisory Council  
21 will follow when conducting its business;

22 (2) standards to assure administration of the program  
23 on a statewide basis;

24 (3) forms that may be necessary to administer the  
25 provisions in the bill;

1 (4) procedures for detailed investigations and  
2 evaluations of suggestions;

3 (5) methods for soliciting ideas;

4 (6) procedures for filing suggestions with the  
5 Department;

6 (7) time limits for the review of suggestions and  
7 inventions;

8 (8) procedures for the presentation of suggestions or  
9 inventions to the Legislature when the legitimate value of  
10 the ideas exceeds the \$500 limit in the bill;

11 (9) procedures covering the timely payment of cash  
12 awards that are approved by the Department;

13 (10) procedures to maintain the integrity of the  
14 program through the review of awards to assure that they are  
15 granted equitably, on the basis of merit, and that the  
16 reasons for granting an award are made public.

Approved by Committee  
on State Administration

## SENATE BILL NO. 452

INTRODUCED BY FULLER, J. BROWN

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE DEPARTMENT OF ADMINISTRATION TO ADMINISTER A STATEWIDE CITIZENS' SUGGESTIONS PROGRAM TO AWARD CITIZENS FOR COST-SAVING PROPOSALS; AND PROVIDING A TERMINATION DATE."

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

Section 1. Definitions. As used in [sections 1 through 7], the following definitions apply:

(1) "Agency head" means a director, commissioner, or constitutional officer in charge of an executive, legislative, or judicial branch agency or an agency of the Montana university system.

(2) "Department" means the department of administration provided for in 2-15-1001.

Section 2. Creation and purpose of program. The department shall develop and administer a statewide citizens' suggestions program to:

(1) recognize and reward citizens for suggestions or inventions contributing to the efficiency and economy of state government;

(2) encourage citizens to take an active interest in state government; and

(3) promote a better understanding among the citizens of the state of the operation and function of state government.

Section 3. Powers and duties of department. The department shall:

(1) adopt rules to equitably administer the citizens' suggestions program, addressing the following subjects as well as others:

(a) methods for soliciting ideas;

(b) application procedures;

(c) procedures for reviewing suggestions; and

(d) method for making awards;

(2) assist agencies in evaluating suggestions or inventions and selecting recipients for awards;

(3) approve agency recommendations for granting awards, in consultation with the incentive awards advisory council established under 2-18-1104, and determine the amount of each incentive award based on first-year monetary savings; and

(4) prepare a biennial report to the legislature containing a list of citizen awards and the corresponding savings to the state resulting from each citizen's suggestion or invention and providing a general review of and recommendations for improving the program.

Section 4. Eligibility for award. (1) Except as

1 provided in subsection (2), a citizen of the state, as  
 2 defined in 1-1-402, who is not an employee eligible to  
 3 participate in the employee incentive award program  
 4 established under Title 2, chapter 18, part 11, may be  
 5 eligible for an award if his suggestion or invention results  
 6 in:

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

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

12 (2) A suggestion or invention relating to matters  
 13 recommended for study or review or a proposal resulting from  
 14 assigned or contracted audits, studies, reviews, or research  
 15 may not be considered for an award.

16 Section 5. Procedure for granting award. (1) The  
 17 department shall transmit each suggestion or invention  
 18 received under the program to the state agency affected by  
 19 the suggestion.

20 (2) The agency shall evaluate the suggestion or  
 21 invention and recommend to the department whether an award  
 22 should be granted, based on cost savings to the agency after  
 23 implementing the suggestion.

24 (3) If the department, after consulting with the  
 25 advisory council established under 2-18-1104, approves an

1 agency's recommendation for an award, the agency head may  
 2 grant an award to a citizen whose proposal meets the  
 3 requirements in [section 4].

4 Section 6. Amount and source of award. (1) The amount  
 5 of an award granted under this program may not be more than  
 6 10% of the savings resulting from implementing the citizen's  
 7 proposal for 1 year, up to a maximum of \$500. Larger awards  
 8 may be proposed and submitted to the legislature for  
 9 consideration.

10 (2) The agency head shall pay the citizen from the  
 11 agency's budget in a single, lump-sum award.

12 Section 7. State not liable. The state is not liable  
 13 for failure to adopt or implement any suggestion or  
 14 invention submitted under this program.

15 Section 8. Termination date. The provisions of this  
 16 act terminate October 1, 1985.

-End-

## 1 STATEMENT OF INTENT

## 2 SENATE BILL 452

3  
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5 to citizens to make suggestions or to create inventions that  
6 reduce the costs of government operations or improve  
7 government operations without increasing costs. The  
8 discretion of the Department of Administration in granting  
9 awards is limited to 10% of the cost savings realized in the  
10 first year or \$500, whichever is less. Larger awards may be  
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12 appropriate the money.

13 The purpose for giving the Department of Administration  
14 rulemaking authority is that it can best administer the  
15 program consistently throughout state government and  
16 determine the amount of money appropriate for an incentive  
17 award.

18 It is contemplated that the rules should address the  
19 following:

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21 will follow when conducting its business;

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24 (3) forms that may be necessary to administer the  
25 provisions in the bill;

1 (4) procedures for detailed investigations and  
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10 the ideas exceeds the \$500 limit in the bill;

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10 (2) The agency head shall pay the citizen from the  
11 agency's budget in a single, lump-sum award.

12 Section 7. State not liable. The state is not liable  
13 for failure to adopt or implement any suggestion or  
14 invention submitted under this program.

15 Section 8. Termination date. The provisions of this  
16 act terminate October 1, 1985.

-End-

SENATE BILL 452  
AMENDMENTS  
STATE ADMINISTRATION COMMITTEE  
MARCH 9, 1983

1. Title, line 7.

Following: ";"

Insert: "PROVIDING AN APPROPRIATION TO ADMINISTER THE PROGRAM;"

2. Page 4.

Following: line 14

Insert: "Section 8. Appropriation. There is appropriated to the department of administration from the general fund \$86,200 for the biennium ending June 30, 1985, for the purpose of implementing the citizens' suggestion program authorized in this act."

Renumber: subsequent section

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~~SECTION 8. APPROPRIATION. THERE IS APPROPRIATED TO THE DEPARTMENT OF ADMINISTRATION FROM THE GENERAL FUND \$86,200 FOR THE BIENNium ENDING JUNE 30, 1985, FOR THE PURPOSE OF IMPLEMENTING THE CITIZENS' SUGGESTION PROGRAM AUTHORIZED IN THIS ACT.~~

Section 9. Termination date. The provisions of this act terminate October 1, 1985.

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## 2 SENATE BILL 452

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