

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

SECOND REGULAR SESSION-2004

Legislative Document

No. 1686

S.P. 618

In Senate, December 17, 2003

An Act To Encourage Cost Savings by State Employees

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 16, 2003. Referred to the Committee on State and Local Government pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 218.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by President DAGGETT of Kennebec.
Cosponsored by Representative MOODY of Manchester and
Senators: BROMLEY of Cumberland, MAYO of Sagadahoc, ROTUNDO of Androscoggin,
Representatives: Speaker COLWELL of Gardiner, PATRICK of Rumford, SUSLOVIC of
Portland, THOMPSON of China.

2 Be it enacted by the People of the State of Maine as follows:

4 Sec. 1. 5 MRSA c. 56-A is enacted to read:

6 CHAPTER 56-A

8 EMPLOYEE AWARDS

10 §651. Employee Suggestion System

12 1. Definitions. As used in this chapter, unless the
14 context otherwise indicates, the following terms have the
16 following meanings.

18 A. "Board" means the Employee Suggestion System Board
20 established in subsection 3.

22 B. "System" means the Employee Suggestion System
24 established in subsection 2.

26 2. System established. The Employee Suggestion System is
28 established to encourage by means of cash or honorary awards
30 state employees to find substantial savings and efficiencies in
32 state operations.

34 3. Board. The Employee Suggestion System Board is
36 established and consists of the Commissioner of Administrative
38 and Financial Services and 2 other departmental commissioners
40 appointed by the Governor.

42 A. The board shall elect a chair annually.

44 B. The Commissioner of Administrative and Financial
46 Services is responsible for administering the system and
48 shall assign an employee, who may have other assignments not
50 related to the system, to manage the system on a day-to-day
basis.

C. The board may adopt routine technical rules in
accordance with chapter 375, subchapter 2-A to implement the
system, including criteria for suggesting ideas and making
awards.

4. Ineligible employees. The board may exclude certain
levels of positions from participation in the system. Persons in
positions enumerated in chapter 71 or in Title 2, sections 6 to
6-E are not eligible to receive cash awards under the system.

5. Maximum cash award; cost savings. The maximum cash
award approved for a suggestion that results in cost savings is

2 limited to 10% of the first year's estimated All Other savings or
3 \$2,000, whichever is less. Except as provided in subsection 6,
4 an award may not be made for any suggested savings of less than
5 \$250. Any cash awards approved by the board must be charged
6 against the fund or funds to which estimated savings apply. If
7 it is not possible to reasonably estimate the savings, the board
8 may pay an initial amount and pay an additional amount at the end
9 of the first year or may pay the full amount at the end of the
10 first year.

11 **6. Improvements to service without cost savings.** Upon the
12 recommendation of the agency head of the affected program, the
13 board may approve an award not to exceed \$100 for a suggestion
14 that results in improved services or operation of the program but
15 does not result in identifiable cost savings.

16 **7. Reductions in service.** An award may not be approved by
17 the board for a suggestion that generates savings through a
18 reduction of services, unless it is an identified duplication of
19 services.

20 **8. Confidentiality.** The name of the person with the
21 suggestion must be treated confidentially by the board and any
22 other person handling the suggestion until a final decision is
23 made by the board, if requested by the person with the suggestion.

24 **9. Assistance.** Any department or other organization of
25 State Government shall provide whatever assistance the board
26 requests for evaluating suggestions or other purposes.

27 **10. Administration.** Notwithstanding any other law,
28 whenever an award is made from a fund, an equal amount must be
29 transferred from the same fund to a special revenue fund
30 available to the Department of Administrative and Financial
31 Services to be used to administer the system.

32 **11. Promotion.** The board shall ensure that all employees
33 are aware of the system and the potential award amounts.

40 SUMMARY

41 This bill establishes the Employee Suggestion System,
42 whereby state employees in classified service are eligible for
43 cash or honorary awards for suggestions that would result in
44 substantial savings or improvements or efficiencies in state
45 operations. A cash award would be limited to 10% of the first
46 year's estimated saving, up to a cap of \$2,000. This legislation
47 is modeled on law that was repealed in 1995.