

SENATE BILL REPORT

SB 5779

AS PASSED SENATE, MARCH 16, 1993

Brief Description: Clarifying productivity awards programs.

SPONSORS: Senators Haugen, Drew, Owen, Deccio and Oke; by request of Productivity Board

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: Do pass.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Oke, von Reichbauer, and Winsley.

Staff: Barbara Howard (786-7410)

Hearing Dates: February 25, 1993; February 26, 1993

BACKGROUND:

The state's Productivity Board was created in 1982. It succeeded the former employee suggestions program (now called "Brainstorm") and added a teamwork incentive program (TIP) to benefit an identifiable work group that develops new methods for increasing productivity or produces savings in agency operations.

The Productivity Board has requested a number of changes to the teamwork incentive program to give it more flexibility.

SUMMARY:

The Governor is added as co-chair of the Productivity Board, along with the Secretary of State. The terminology for the teamwork incentive program is clarified.

The definition of a team eligible to participate in the TIP program is clarified to include employees in a group of agencies as well as within a single agency who have the ability to identify operating costs and/or revenues. Demonstration that a project has increased revenue is added as an activity which may qualify for a TIP award to lowering the cost or increasing the level of service of operations.

A project may cover a period longer or shorter than one year. Changes in client populations and the effects of legal changes are added to the criteria that may be calculated into adjustments to additional revenue. The sum that may be awarded by the Board for a successful project is up to 25 percent of the savings or increased revenues. The board is authorized to establish a maximum award for any individual by formal adoption of a rule. The Director of the Office of Financial Management, with the concurrence of the board,

distributes moneys for awards which generate new or additional revenue from the general fund or transfers from other funds.

Appropriation: none

Revenue: none

Fiscal Note: available

Effective Date: The bill contains an emergency clause and takes effect July 1, 1993.

TESTIMONY FOR:

This program has worked well with savings beyond the original expectation. It is equally important to allow awards for projects which increase revenues. The board needs more flexibility for both individual awards, and the maximums for total awards. TIP has been one of the state's most effective incentives for productivity, and has contributed significantly to employee morale. It mirrors successful programs in the private sector.

TESTIMONY AGAINST: None

TESTIFIED: PRO: Linda Mackintosh, Executive Director, Productivity Board; George Masten, board member; Wally Nichols, Boeing, private sector board member; Paul Klinkosz, DOT