

SECOND REGULAR SESSION

HOUSE BILL NO. 2726

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KORMAN.

6622H.02I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 36.030, RSMo, and to enact in lieu thereof one new section relating to the cost savings programs.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 36.030, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 36.030, to read as follows:

36.030. 1. A system of personnel administration based on merit principles and designed to secure efficient administration is established for all offices, positions and employees, except attorneys, of the department of social services, the department of corrections, the department of health and senior services, the department of natural resources, the department of mental health, the division of personnel and other divisions and units of the office of administration, the division of employment security, mine safety and on-site consultation sections of the division of labor standards and administration operations of the department of labor and industrial relations, the division of tourism and division of workforce development, the Missouri housing development commission, and the office of public counsel of the department of economic development, the Missouri veterans commission, capitol police and state emergency management agency of the department of public safety, such other agencies as may be designated by law, and such other agencies as may be required to maintain personnel standards on a merit basis by federal law or regulations for grant-in-aid programs; except that, the following offices and positions of these agencies are not subject to this chapter and may be filled without regard to its provisions:

(1) Other provisions of the law notwithstanding, members of boards and commissions, departmental directors, five principal assistants designated by the departmental directors, division

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 directors, and three principal assistants designated by each division director; except that, these
19 exemptions shall not apply to the division of personnel;

20 (2) One principal assistant for each board or commission, the members of which are
21 appointed by the governor or by a director of the department;

22 (3) Chaplains and attorneys regularly employed or appointed in any department or
23 division subject to this chapter, except as provided in section 36.031;

24 (4) Persons employed in work assignments with a geographic location principally outside
25 the state of Missouri and other persons whose employment is such that selection by competitive
26 examination and standard classification and compensation practices are not practical under all
27 the circumstances as determined by the board by rule;

28 (5) Patients or inmates in state charitable, penal and correctional institutions who may
29 also be employees in the institutions;

30 (6) Persons employed in an internship capacity in a state department or institution as a
31 part of their formal training, at a college, university, business, trade or other technical school;
32 except that, by appropriate resolution of the governing authorities of any department or
33 institution, the personnel division may be called upon to assist in selecting persons to be
34 appointed to internship positions;

35 (7) The administrative head of each state medical, penal and correctional institution, as
36 warranted by the size and complexity of the organization and as approved by the board;

37 (8) Deputies or other policy-making assistants to the exempt head of each division of
38 service, as warranted by the size or complexity of the organization and in accordance with the
39 rules promulgated by the personnel advisory board;

40 (9) Special assistants as designated by an appointing authority; except that, the number
41 of such special assistants shall not exceed one percent of a department's total authorized full-time
42 equivalent workforce;

43 (10) Merit status shall be retained by present incumbents of positions identified in this
44 section which have previously been subject to this chapter.

45 2. All positions in the executive branch transferred to coverage pursuant to this chapter
46 where incumbents of such positions have at least twelve months' prior service on the effective
47 date of such transfer shall have incumbency preference and shall be permitted to retain their
48 positions, provided they meet qualification standards acceptable to the division of personnel of
49 the office of administration. An employee with less than twelve months of prior service on the
50 effective date of such transfer or an employee who is appointed to such position after the
51 effective date of such transfer and prior to the classification and allocation of the position by the
52 division of personnel shall be permitted to retain his or her position, provided he or she meets
53 acceptable qualification standards and subject to successful completion of a working test period

54 which shall not exceed twelve months of total service in the position. After the allocation of any
55 position to an established classification, such position shall thereafter be filled only in
56 accordance with all provisions of this chapter.

57 3. The system of personnel administration governs the appointment, promotion, transfer,
58 layoff, removal and discipline of employees and officers and other incidents of employment in
59 divisions of service subject to this chapter, and all appointments and promotions to positions
60 subject to this chapter shall be made on the basis of merit and fitness.

61 4. **(1)** To encourage all state employees, **former state employees, and Missouri**
62 **residents** to improve the quality of state services, increase the efficiency of state work
63 operations, and reduce the costs of state programs, the director of the division of personnel shall
64 establish employee recognition programs, including a statewide employee suggestion system.
65 **Before August 28, 2018,** the director shall determine reasonable rules and shall provide
66 reasonable standards for determining the monetary awards, not to exceed five thousand dollars,
67 under the employee suggestion system. **On and after August 28, 2018, awards shall be**
68 **calculated under subdivision (3) of this subsection.** Awards shall be made from funds
69 appropriated for this purpose.

70 **(2)** As used in subdivisions (2), (3), (4), and (5) of this subsection, the following
71 phrases mean:

72 **(a)** "Cost savings", the base fiscal year costs minus the costs from a fiscal year in
73 which a cost-saving measure was implemented;

74 **(b)** "Estimated citizen impact", the amount of actual costs, estimated time cost, and
75 an estimate of convenience impact;

76 **(c)** "Estimated government impact", measured estimated input of a cost-saving
77 measure on other state agencies and departments, and local governments;

78 **(d)** "Total annual cost savings", the sum of one year of cost savings, estimated
79 citizen impact, and estimated government impact.

80 **(3)** Current and former state employees are entitled to an award equal to ten
81 percent of the total annual cost savings, and Missouri residents are entitled to an award
82 equal to five percent of the total annual cost savings.

83 **(4)** In no event shall the amount of awards under subdivision (3) exceed the annual
84 salary of a Missouri supreme court justice.

85 **(5)** This subsection does not apply to directors, deputy directors, and other state
86 employees whose employment position requires them to find and implement cost-savings
87 measures.

88 5. At the request of the senate or the house of representatives, the commissioner of
89 administration shall submit a report on the employee suggestion award program described in
90 subsection 4 of this section.

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