

NEBRASKA DEPARTMENT OF ADMINISTRATIVE SERVICES

NOTICE OF PUBLIC HEARING

NOTICE is hereby given that Administrative Services will hold a rulemaking hearing pursuant to Neb. Rev. Stat. §84-907 on May 7, 2021 at 1:30 pm at 1526 K Street, 4th Flr Conf Rm D, Lincoln, Nebraska.

The purpose of the hearing is to receive comments on proposed revisions to Title 276, Chapters 1-7, entitled Employee Suggestion System. The purpose of the proposed change is to eliminate obsolete provisions that mirror statute(s), reduce regulatory burden, and to simplify and clarify the rules. There is no expected fiscal impact on state agencies, political subdivisions, or persons being regulated.

Proposed rules as amended are available at the office of the Secretary of State, Regulations/Licensing Division, Room 1305, State Capitol, Lincoln, NE 68509 and online at <http://www.sos.ne.gov>.

All interested persons may attend and testify orally or by written submission at the hearing. Interested persons may also submit written comments prior to hearing which will be made part of the hearing record at the time of hearing if received by DAS on or before the hearing time. Written comments may be sent by mail to the Department of Administrative Services, 1526 K St., Suite 140, Lincoln, NE 68508 or by email to amara.block@nebraska.gov.

Due to COVID-19, members of the public may participate in the hearing by calling 888-820-1398, Participant Code 8181679#. Reasonable accommodations will be provided to persons with disabilities by contacting Amara Block at (402) 432-0121 or amara.block@nebraska.gov by April 28, 2021.

DRAFT/FINAL FISCAL IMPACT STATEMENT

Agency: Department of Administrative Services – State Personnel Division	
Title: 276	Prepared by: Kenny Zoeller
Chapter: 1-7	Date prepared: 3/31/21
Subject: Employee Suggestion System	Telephone: 531-207-2944

Type of Fiscal Impact:

	State Agency	Political Sub.	Regulated Public
No Fiscal Impact	(X)	(X)	(X)
Increased Costs	()	()	()
Decreased Costs	()	()	()
Increased Revenue	()	()	()
Decreased Revenue	()	()	()
Indeterminable	()	()	()

Provide an Estimated Cost & a Description of Impact:

State Agency: **No Fiscal Impact.**

Political
Subdivision: **No Fiscal Impact.**

Regulated
Public: **No Fiscal Impact.**

If indeterminable, explain why:

TITLE 276 EMPLOYEE SUGGESTION SYSTEM

CHAPTER 1 EMPLOYEE SUGGESTION SYSTEM

001. DEFINITIONS.

001.01 ADOPT. To accept a suggestion for implementation, as determined by the agency head or their designee.

001.02 AGENCY HEAD. The administrative head of an agency, such as Director, Executive Director, Commissioner, etc. who reports directly to the appointing authority.

001.03 BOARD. The Suggestion Award Board.

001.04 PERSONNEL DIRECTOR. The Director of the Personnel Division of the Department of Administrative Services.

001.05 SUGGESTION. A specific, constructive idea to directly improve the operations of Nebraska that has tangible financial savings if implemented.

002. PURPOSE. The Employee Suggestion System is established to recognize, through cash awards, state employees who make suggestions that improve the efficiency and economy of Nebraska state government.

003. BOARD COMPOSITION. The Board consists of six members, as described in Neb. Rev. Stat. § 81-1348. Four members constitutes a quorum.

004. ELIGIBILITY.

004.01 All State employees, except those noted in Neb. Rev. Stat. § 81-1346, are eligible to receive awards.

004.02 Employees may submit suggestion(s) as a group.

004.03 Suggestions described in Neb. Rev. Stat. § 81-1354 are not eligible for a monetary award.

005. PROCEDURE.

005.01 All suggestions must be submitted in writing to the Personnel Director in the manner and form the Director prescribes.

005.02 After receiving a suggestion, the Personnel Director will forward the suggestion to the suggesting employee's agency, keeping the employee's name confidential.

005.03 The Agency Head or their designee will review the suggestions in accordance with the evaluation materials provided by the Personnel Director. The Agency Head or their designee will determine if the employee is eligible and will make the decision as to whether the suggestion will be adopted by the agency.

005.03(A) The agency may decide to adopt the suggestion in a modified form.

005.04 The Agency Head or their designee will report to the Personnel Director their determination and other information, as the Personnel Director requests. The Personnel Director will forward the determination to the Board for award determination.

005.05 An agency must contribute the amount determined by the Board to be awarded within sixty calendar days from the date of the Board's decision.

005.05(A) All awards will be made in accordance with Neb. Rev. Stat. § 81-1353.

005.05(B) Cash awards will be issued as a supplemental payment through the payroll process, with the agency using object code #511900.

006. APPEALS.

006.01 An employee who has been declared as ineligible or whose suggestion is not adopted by the agency or rejected may appeal to the Board.

006.02 Appeals must clearly state the basis for any further consideration and must be submitted in writing to the Personnel Director within thirty calendar days following notification of ineligibility, non-adoption, or rejection.

006.03 The Board will initiate a review at its next scheduled meeting after receipt of the appeal. The employee does not have the right to a hearing before the Board.

006.04 All decisions made by the Board are final.

Chapter 1 – Scope

001 Applicability. ~~All State employees are eligible to receive awards with the exception of: employees of the University of Nebraska System and the Nebraska State Colleges; Constitutional officers; department heads and elected officials.~~

002 Purpose. ~~The Employee Suggestion System is established for the purpose of recognizing, through the use of cash awards, State employees who make acceptable suggestions that result in efficiency and economy in Nebraska State Government as evidenced by cost savings.~~

Chapter 2 – Definitions

~~**001 – Adopt** — is to accept an employee’s idea for implementation. The “adopt” status is determined from the report prepared by the evaluating authority.~~

~~**002 – Agency** — any legally constituted board, commission, department or other branch of state government in which all positions are under the same appointing authority.~~

~~**003 – Agency Head** — the administrative head of an agency, such as Director, Executive Director, Commissioner, Executive Secretary, etc., reporting directly to the Governor, a commission, or board.~~

~~**004 – Eligible** — shall mean the suggester and the suggestion meets the requirements set forth in Chapters 1 and 6.~~

~~**005 – Employee** — shall mean any person, permanent or temporary, full or part time, except an agency head who receives a salary or wage from the State. (Employees on approved Family and Medical Leave shall be eligible to participate in this program.)~~

~~**006 – Ineligible** — shall mean either the suggester or the suggestion did not meet the requirements set forth in Chapters 1 and 5.~~

~~**007 – Non-adopt** — To non-adopt a suggestion is to not accept it for implementation as determined by the agency head.~~

~~**008 – Suggestion** — A suggestion is a constructive idea to improve directly, with economic benefit and tangible dollar savings, the operations of the Nebraska State Government, i.e., “the State of Nebraska uses too much paper and should use less.” This is not a suggestion. “Forms H114 and H116 used in the Nebraska Department of Space Exploration could be combined into a single form, sample attached.” This is a considered a suggestion.~~

~~Chapter 3 – Suggestion Award Board~~

~~**001 – Composition** The Suggestion Award Board consists of the DAS – State Personnel Director, the Director of Administrative Services, the Auditor of Public Accounts and three persons, each to serve a term of one year, selected and appointed by the Governor from the bargaining units listed. Of the persons selected from such bargaining units, one person shall be selected from each of such bargaining units as follows: (1) The first year (January 1, 1994 through December 31, 1994) from the Maintenance, Trades, and Technical Unit, Administrative Support Unit, and Supervisor Unit. The second year from the Health and Human Care nonprofessional Unit, Social Services and Counseling Unit and Law Enforcement Unit. The third year from the Administrative Professional Unit, Protective Services Unit and Health and Human Care Professional Unit. The fourth year from the Examining, Inspection and Licensing Unit, Engineering, Science and Resources Unit and Teachers Unit. After the fourth year, the appointments shall be made starting with the first years sequence and continue as stated. Four members shall constitute a quorum.~~

~~**002 – Administrative Organization and Duties of the DAS – State Personnel Division Director** The Director of the DAS – State Personnel Division is responsible for the overall management of the Employee Suggestion System. The duties of the State Personnel Director shall be to:~~

- ~~(1) Develop and promulgate rules and regulations for the administration of the Suggestion System on behalf of the Suggestion Award Board. This may be delegated to the DAS – State Personnel Director's designated representative. Any rules or regulations pertaining to Statutes 81-1350 and 81-1351 shall be established by the Suggestion Award Board.~~
- ~~(2) Draft suggested changes to the law governing the Employee Suggestion System.~~
- ~~(3) Prepare and annually transmit a report to the Governor and Legislature detailing the operations of the Employee Suggestion System including an accounting of all awards granted.~~
- ~~(4) Provide for the direct submission of all suggestions to the Director or the Director's designated representative and shall provide that the names of individuals who made suggestions shall be kept confidential unless such person is granted an award.~~

- ~~(a) To ensure confidentiality, each Suggester and their suggestion shall be assigned a number for identification purposes.~~
- ~~(5) Make a determination as to the initial eligibility of the suggester and the suggestion.
 - ~~(a) Initial eligibility is determined by evaluating whether or not the employee is a state employee as defined in Chapter 2; and~~
 - ~~(b) The suggestion is determined eligible as defined in Chapter 5. If eligible, a written acknowledgement shall be sent to the suggester and the suggestion will be forwarded to other agencies if appropriate. If ineligible, a letter shall be sent to the suggester explaining the reasons for the ineligibility or rejection.~~~~
- ~~(6) Forward suggestions to departments other than the suggester's department when deemed appropriate.~~

003 – Authority and Responsibility of the Suggestion Award Board

- ~~(1) Establish rules and regulations governing the size of any award granted subject to the limits imposed in Chapter 3.~~
- ~~(2) Determine the amount of the award for each adopted suggestion.~~
- ~~(3) The hearing of appeals related to the Employee Suggestion System.~~

004 – Vacancies ~~Whenever a vacancy occurs on the board for any reason, the Governor shall appoint an individual to fill such vacancy from the same bargaining unit in which the vacancy exists.~~

005 – Deferral of Payment of Awards ~~At the discretion of the Suggestion Award Board, payment of awards may be made at the time of adoption or in cases where savings cannot be immediately determined, awards can be delayed a reasonable length of time while the savings are calculated. Interest shall not be paid upon any deferred payment.~~

006 – Payments by Agencies ~~When practicable, awards shall be paid, within sixty calendar days from the date of the Suggestion Award Board decision, by the agency(ies) where benefit will occur. When more than one agency will benefit, each such agency~~

~~shall contribute its prorated share of the award as determined by the Suggestion Award Board.~~

~~**007 Payment of Awards** A one-time payment of 10 percent of the first year's dollar cost savings, is to be awarded for suggestions which are adopted and implemented. Example: First year's cost savings \$4,000; cost of implementation \$500; award is based on \$3,500 @ 10% = \$350.~~

~~**007.01** Awards begin with a minimum cash award of \$25 and end with the maximum cash award of \$5,000 for savings of \$100,000 and more unless a larger award is recommended by resolution of the Legislature.~~

~~**007.02** In cases where actual cost savings are more than were originally estimated in determining the award for a suggestion, the Suggestion Award Board shall determine the additional award amount to be made to the suggester. In cases where the original estimate used in determining the award for a suggestion exceeds the actual amount saved, the suggester shall not be liable for any reimbursement to the agency. In no case shall the time period in evaluating the award exceed two years for determining additional savings.~~

~~**007.03** Cash awards are considered to be taxable income for Federal and State income purposes, including the State's mandatory retirement plan. In the event of death, the employee's estate shall be granted the award amount.~~

~~Chapter 4 –~~

~~Duties of the Agencies and Procedure~~

~~**001** Written Suggestions Suggestions must be submitted in writing on the Suggestion Award Form and must be forwarded through the United State mail to the DAS – State Personnel Division Director. Verbal suggestions will not be processed.~~

~~**002** Duties of the Agency Shall be the responsibility of the agency head.~~

~~**002.01 Agency Coordinators.** Each agency head shall assign an agency employee suggestion system coordinator who shall act as the liaison between the Suggestion Award Board and the Agency Award Committee. The union(s) shall also assign, where practicable, a co-coordinator who shall share in the liaison responsibilities.~~

~~(a) The DAS – State Personnel Director, or their designee, shall forward eligible suggestions to the Agency Coordinator(s)~~

~~(b) The Agency Coordinators will ensure that all timelines are met and coordinate suggestions with the Agency Award Committee and Agency Head.~~

~~**002.02 Agency Award Committee.** Each agency head shall also appoint the management members of the Agency Award Committee. The union(s), where practicable, shall appoint bargaining unit representatives to the agency award committee. (The total number of union representatives will be equal to the number of management representatives.) This may be a standing committee to evaluate all suggestions or individual committees of a temporary nature appointed to evaluate each unique suggestion. The committee's responsibility will be to:~~

~~(1) Make a detailed investigation and evaluation of suggestion and make a recommendation regarding implementation to the agency head.~~

~~**002.03 Time-Lines and Procedure**~~

~~(a) Within 15 work days of receipt of a suggestion for evaluation, the agency award committee shall forward its recommendation to the agency director.~~

- ~~(b) Within 15 work days of receipt of a recommendation from the agency award committee, the agency head shall forward his/her decision on implementation and recommendation for the amount of the award to the Suggestion Award Board.~~
- ~~(c) The agency award report shall indicate whether a suggestion has been adopted, the date on which it was placed in effect, (or will be put into effect) any actual or estimated reduction, elimination or avoidance of expenditures or improvement in operations made possible by a suggestion; or the reasons in detail for non-adoption or rejection.~~
- ~~(d) If an agency is unable to make a decision and recommendation within 30 work days of the receipt of the suggestion, the agency award coordinator(s) shall request a further extension in writing, through the DAS – State Personnel Director to the Suggestion Award Board and shall state the reasons why a decision has not been made and shall also estimate the amount of additional time necessary to evaluate the suggestion. The Suggestion Award Board shall then set a date for the agency to complete the agency's evaluative report.~~

~~**002.04 Non-adoption** If the suggestion is non-adopted by the Agency, the Agency Award Committee will send written notification letter to the suggester, through DAS – State Personnel with a detailed analysis and a copy of the Agency Evaluation Form stating the number of other agencies adopting (if any) or non-adopting the suggestion.~~

~~**002.05 Adoption** If the suggestion is adopted by the Agency, the Agency Evaluation Report will be forwarded to the Suggestion Award Board for its determination as to the amount of award.~~

~~**002.06 Final Decisions** The agency head shall make the final decision as to whether the suggestion is to be adopted within the agency.~~

~~Chapter 5 – Eligibility of Suggestions~~

~~**001 – Exclusions** Suggestions pertaining to the following areas will not be eligible for awards: grievances; classification and pay; matters already recommended for study, review or summary; matters which are the result of assigned or contracted audits, budget and fiscal preparations studies, surveys, reviews or research; matters requiring the enactment of legislation; a suggester who applies for patent rights to his/her suggestion is not eligible for an award.~~

~~**002 – Exceptions** Suggestions which are directly related to an individual's assigned duties or responsibilities will not be considered eligible; however, if a suggestion is so superior or meritorious as to be considered above and beyond the scope of the suggester's job, then the suggestion will be allowed. In order to determine eligibility in the above mentioned cases, the following questions must be answered specifically in the negative: (a) is the employee expected or required to make suggestions of the type under consideration as a part of his/her employment? (b) is the nature of the suggestion such that the employee's performance would be judged less than satisfactory had he/she not made the suggestion? (c) can the suggestion be implemented by the employee without consulting higher authority?~~

~~**003 – Modifications** An individual may be entitled to an award even though his/her suggestion is adopted in a modified form. Whether the suggestion has been adopted in a modified form shall be determined by the Suggestion Award Board.~~

~~**004 – Duplicate Suggestions** Each suggestion will be reviewed by the Suggestion Award Board to determine if it is a duplicate or, or similar to, a suggestion which has been submitted to adopted. If duplicate suggestions are received, the one bearing the earliest postmark will be eligible for consideration and all others shall be ineligible. If duplicate suggestions are received on the same date, both may be considered eligible and if adopted, a split award on a percentage basis determined by the Board will be paid.~~

~~**005 – Group Suggestions** may be eligible when submitted by a group of employees and if the suggestion is adopted, the award will be prorated evenly among the eligible employees. A different proportion will be considered by the Suggestion Award Board if specified by the group on the official suggestion application form. A suggestion will not be considered a group effort unless signed by all parties concerned. Supervisory assistance, while encouraged, does not necessarily classify a suggestion as a group suggestion.~~

~~Chapter 6 – Rights of Parties~~

~~**001 – Time Limit on Award Consideration** An employee's right to an award shall be protected, provided: (1) The suggestion is implemented within 24 months of the original notification of non-adoption; and (2) The Suggestion Award Board is notified that the suggestion was implemented. (3) If a suggester wishes to keep a proposal alive after the period of protection expires, it must be resubmitted as a new suggestion, however, the suggester must be an employee of the State in a paid status at the time of the re-submission. (4) Payment will be made during the two-year protection period even if the suggester is no longer an employee of the State.~~

~~**002 – Suggester's Rights** The suggester has the sole right to: (1) Receive an award subject to the provisions of the Employee Suggestion System; (2) Anonymity, for all non-adopted or rejected suggestions; (3) Appeal to the Suggestion Award Board if a suggestion has been declared ineligible, non-adopted, or rejected.~~

~~**003 – State's Rights** The State of Nebraska has the right to use a suggestion in any form or modification it deems appropriate without making any payment except for an award determined by the Suggestion Award Board. All suggestions, whether implemented or not, become the property of the State of Nebraska. The State of Nebraska has the right to make public all suggester's identifies who are granted an award under the Employee Suggestion System.~~

Chapter 7 – Appeals

1. ~~Employees who have been declared ineligible, or whose suggestions are non-adopted or rejected; may appeal to the Suggestion Award Board.~~
2. ~~Appeals must clearly state the basis for any further consideration and must be submitted in writing to the Chairperson of the Suggestion Systems Award Board through the DAS – State Personnel Division Director within 30 calendar days following the date of notification of non-eligibility, non-adoption, or rejected.~~
3. ~~All decisions relating to appeal will be made by the Suggestion Award Board and are considered final.~~