

State Employee Idea Application

This Act requires the state personnel director to create and make available to all state employees a process and an application to allow state workers to suggest ideas to improve state agency operations. The application must be posted on the department of personnel's website and the process must be advertised on state employee payroll statements. The Act directs the state personnel director to develop a method to evaluate employee suggestions.

State employees submit their suggestions to their agency directors. The Act requires the agency directors to respond to employee suggestions in a timely manner and to calculate the projected savings from employee suggestions before they decide to accept or reject an employee's suggestion.

The legislation requires agency directors to calculate any savings their agencies realize from employee suggestions within 13 months after such suggestions are fully implemented. The directors must forward those calculations to the state auditor for review and verification. Within 120 days after receipt of the calculation, the state auditor must report their review and verification to the legislative audit committee. Agency directors must also identify any state laws or regulations that need to be changed to implement an approved employee suggestion and provide that information to the appropriate legislative committee.

The Act rewards employees up to \$5,000 of any savings realized from their suggestions to improve agency operations.

Submitted as:

Colorado

[Chapter 284 of 2010](#)

Status: Enacted into law in 2010.

Suggested State Legislation

(Title, enacting clause, etc.)

1 Section 1. [*Short Title.*] This Act shall be cited as “An Act to Encourage State Employees to
2 Suggest Ideas to Improve State Government Operations.”

3
4 Section 2. [*Definitions.*] As used in this Act:

5 (A) (1) “Employee” means, except as provided in paragraph (2) of this subsection (A), all
6 state employees, including those employees within the state personnel system and those exempt from
7 the state personnel system as specified in [insert citation].

8 (2) “Employee” does not include:

9 (a) An [employee of the office of state planning and budgeting, the office of
10 the state auditor, the joint budget committee, or the department of personnel];

11 (b) An elected official or member of the [legislature]; or

12 (c) The [executive director, program manager, division director, or budget
13 officer of a principal department, the president of a college or university, or a deputy of such
14 director, officer, or president].

15 (B) “Executive director” means a state agency's executive director or similar senior level
16 manager or managing director.

17 (C) “Idea application” means the application described in section 3 of this Act.

18 (D) “Projected savings” means an amount calculated by a state agency that may be realized
19 by the agency directly as a result of an employee's idea application.

20 (E) “Savings realized” means an amount calculated by a state agency that was actually
21 realized by the agency directly as a result of an employee's idea application.

22 (F) “State agency” means any department, board, bureau, commission, division, institution,
23 office, or other agency of the executive, legislative, and judicial branch of the state government,
24 including institutions of higher education.

25
26 Section 3. [*State Employee Idea Application.*]

27 (A) (1) No later than [insert date], the [state personnel director], or their designee, shall
28 create and make publicly available to all employees on the [department of personnel's] web site an
29 idea application, substantially similar to the [Air Force form AF 1000], to allow employees to
30 suggest state agency improvements that may result in cost savings at the state agency where the
31 employee works. Each state agency [executive director] shall create agency-specific supplemental
32 submission materials to the idea application if such materials are deemed necessary by the executive
33 director to manage the submission process. Each state agency shall post such materials on their
34 respective web sites.

35 (2) The idea application shall not be used for ideas that:

36 (a) Would result from obvious and progressive normal business practices,
37 such as a foreseeable expectation that the idea would be implemented in a reasonable time frame as a
38 result of evolving business or industry practice;

39 (b) Are obvious solutions to mandated budget cuts, such as abolishing vacant
40 funded positions or reducing staff through layoffs;

41 (c) Result in cost avoidance as the method of documenting cost savings, such
42 as no or lowered increases in costs for staff, supplies, or equipment;

43 (d) Result in revenue enhancement as the method of documenting cost
44 savings, such as new or increased fees for services; or

45 (e) Simply shift the cost from one state agency to another.

46 (B) No later than [insert date], the [state personnel director], or their designee, shall establish
47 standard evaluation criteria substantially similar to the evaluation criteria used to evaluate the [Air
48 Force form AF 1000], by which all idea applications shall be evaluated. The [state personnel
49 director], or their designee, shall make such criteria available to all [executive directors]. Each state
50 agency executive director may establish additional evaluation criteria specific to their agency if such
51 criteria are deemed necessary by the [executive director] to manage the submission process.

52 (C) (1) Any employee may complete an idea application. For processing, the employee
53 shall submit the idea application to the [executive director] of the employee's state agency. An
54 employee shall not be retaliated against for submitting an idea application.

55 (2) The identity of an employee who submits an idea application shall remain
56 confidential and shall be redacted from the application until the employee has been determined to be
57 eligible for an honorary award as specified in subsection (I) of this section, except that the identity of
58 the employee may be made known to the [executive director], or their designee, for purposes of
59 obtaining reasonably necessary additional information related to the idea application.

60 (3) (a) The [executive director], or their designee, shall provide notification of
61 receipt of the idea application to the employee within [fifteen] days after submission of such
62 application. The [executive director], or their designee, may automatically deny an idea application
63 if they deem such application to be duplicative of another application that was submitted within the
64 prior [twelve-month] period or duplicative of a recommendation contained in an audit report from
65 the [office of the state auditor] or any privately contracted auditor, a [joint budget committee staff]
66 document, or any other published evaluation of [this state government]. The [executive director], or
67 their designee, shall provide notice of an automatic denial within [fifteen] days pursuant to this sub-
68 subparagraph.

69 (b) The [executive director], or their designee, shall cause, within [forty-five]
70 business days from the date of submission of an idea application that was not automatically denied
71 for reasons listed in this section or agency-specific evaluation criteria as developed by an [executive
72 director], a projected savings calculation to be made.

73 (c) The [executive director] shall respond with a decision either approving or
74 denying the employee's idea application within [sixty] business days after the date of submission of
75 the idea application. For any idea application that is approved, the [executive director], or their
76 designee, shall identify, to the extent possible, any state laws or rules that would need to be changed
77 as part of the review and approval process. The [executive director], or their designee, shall submit a
78 request for legislation to the committee of reference assigned to such [executive director's] state
79 agency regarding any approved idea application that requires legislation for implementation. Idea
80 applications that do not require legislation for implementation shall be implemented by the state
81 agency as soon as reasonably possible, and no later than [July 1 of the fiscal year following
82 acceptance of the idea application].

83 (4) A copy of any employee's idea application that is not approved, along with a copy
84 of the [executive director's response], and any document indicating the projected savings shall be
85 submitted by the [director] to the [office of state planning and budgeting] within [sixty] business
86 days after submission of the idea application.

87 (5) The [executive director], or their designee, shall maintain copies of all idea
88 applications that are submitted, along with the following information for approved idea applications:

- 89 (a) A description of the innovative idea implemented;
- 90 (b) The total savings achieved in the [first fiscal year or first full twelve-
91 month period] after full implementation;
- 92 (c) The total dollars awarded as an incentive to the employee who submitted
93 the idea application;
- 94 (d) Any affected general appropriations act line item, if applicable; and
- 95 (e) An evaluation of the effectiveness in achieving the goals set forth in (A)(2)
96 of this section and any honorary award to the employee who submitted the idea.

97 (D) Commencing on or after [insert citation], all state agencies shall advertise that the idea
98 application is available on the [department of personnel's] web site on any type of electronic payroll
99 statements issued to employees and in any electronic broadcast communication made to employees,
100 so long as the advertisement for the idea application occurs at least [monthly].

101 (E) The idea application and the advertisement described in this section shall include
102 information related to the honorary award specified in this section that employee may earn.

103 (F) Once an idea application is submitted, reviewed, and accepted by the [executive director],
104 or [their designee], the employee shall be informed of the honorary award they may earn.

105 (G) [Thirteen] months after the innovative idea described in the idea application is fully
106 implemented, the [executive director] shall calculate the savings realized for the [first twelve months
107 of full implementation]. All documentation of the savings realized calculation shall be forwarded to
108 the [state auditor] for review and verification no later than [two months after the twelve months of
109 full implementation of the innovative idea described in the idea application]. The [state auditor] shall
110 have [one hundred twenty] days from receipt of the savings realized calculation to:

- 111 (1) Conduct the review and verification of the savings realized calculation; and
- 112 (2) Submit a report with their findings, recommendations, and conclusions to the
113 [legislative audit committee], which shall hold a public hearing for the purposes of a review of the
114 report.

115 (H) The [state auditor's] report described in this section shall be submitted to the [executive
116 director] who approved the idea application and to any members of the [legislature] who carried any
117 legislation to implement the idea.

118 (I) (1) Except as provided in [insert citation], the savings realized as verified by the [state
119 auditor] as specified in this Act, shall be distributed, no later than the [last day of the eighteenth
120 month following the implementation of the innovative idea], and as follows:

121 (a) [five percent, up to five thousand dollars], of the savings realized as a one-
122 time honorary award to the employee who submitted the idea application;

123 (b) [twenty-five percent, up to twenty-five thousand dollars], of the savings
124 realized to the state agency that the employee's idea application directly affects; and

125 (c) the remainder to the state [General Fund].

126 (2) To a state agency that constitutes an [enterprise] for purposes of [insert citation],
127 the savings realized as verified by the [state auditor] shall be distributed, no later than the [last day of
128 the eighteenth month following the implementation of the innovative idea], as follows:

129 (a) [five percent, up to five thousand dollars], of the savings realized as a one-
130 time honorary award to the employee who submitted the idea application;

131 (b) the remainder to the state agency and to the [General Fund]. The amount
132 distributed to the state [General Fund] shall be the same percentage of the savings realized that the
133 state agency receives in total annual revenues from the state [General Fund].

134 (3) If the savings realized result in savings of federal moneys, the federal moneys
135 saved shall not be distributed as specified in subsections (1) and (2) of this section, but shall either
136 be used for a reallocation of moneys within the state agency or shall revert, depending on the use
137 specified for those particular federal moneys.

138 (4) If the savings realized result in savings of moneys from public or private grants,
139 gifts, awards, or donations where the use of such moneys is restricted, such restricted moneys shall
140 not be distributed as specified in this paragraph but shall either be used for a reallocation of moneys
141 within the state agency or shall revert, depending on the use specified for such particular restricted
142 moneys.

143 (5) (a) Excepting the [department of transportation], a state agency may use the
144 distribution for any projects that would increase that state agency's efficiency or improve services
145 provided to state residents, but the distribution shall not be used to hire additional full-time
146 equivalent employees or for personnel services expenditures.

147 (b) Any savings distributed to the [department of transportation] pursuant to
148 this section shall be transferred to the [state Highway Fund] created in [insert citation] and shall
149 only be used for material costs of road and bridge repairs.

150 (J) Nothing in this section shall be construed to provide employees with any grievance,
151 dispute resolution, or appeals process with regard to any idea application submitted by the employee.

152
153 Section 4. [*Severability.*] [Insert severability clause.]

154
155 Section 5. [*Repealer.*] [Insert repealer clause.]

156
157 Section 6. [*Effective Date.*] [Insert effective date.]