DepartmentofPlanningandBudget
2002FiscalImpactStatement

1. **BillNumber**   HB1214

   HouseofOrigin ☐ Introduced ☐ Substitute ☐ Engrossed

   SecondHouse ☐ InCommittee ☐ Substitute ☒ Enrolled

2. **Patron**   Louderback

3. **Committee**   Passedbothhouses

4. **Title**   CentralizedEmployeeSuggestionAwardProgram.

5. Summary/Purpose:Thisbilldirectsth   eDepartmentofHumanResourceManagement (DHRM)toimplementacentralizedprogramoffinancialawardstostateemployeeswho proposeproceduresorideasthatreducestateexpendituresorimproveoperations.

6. FiscalImpactEstimatesare:SeeItem8.

   6a. ExpenditureImpact:

FiscalYear	Dollars	Positions	Fund
2001-02			
2002-03	$55,000		GF
2003-04			

7. Budgetamendmentnecessary:Yes,Item83.

8. Fiscalimplications:TheDepartmentforHumanResourcesManagement(DHRM)proposes theuseofonew   ageemployeeduringFY2003togettheprogramrestarted.Existingstaff willprovideprogramsupport.TheestimateforFY2003is$55,000forthewageemployee andoperatingcostssuchasprintingandpublicity.Theagencywillbeunabletoabsorbthis additionalcostwithinitsexistingbudget.

   Expenditureimpactfortheprograminfutureyearscannotbedetermined.Centralizationof thesuggestionprogramunderDHRMshouldresultintheidentificationofgreatercost savings.DHRMassumesthatan   yadditionalcostsormanpowerneededtocoordinatethe programinfutureyearswillbefundedfromsavingsgeneratedbytheprogram.

9. Specificagencyorpoliticalsubdivisionsaffected:DHRM.Allstateagenciescouldbe impactedbyanincreaseinnu   mberofsuggestionstoevaluate.

10. Technicalamendmentnecessary:No

11. Othercomments:DHRMcurrentlyoverseesthecurrentprogramthathasbeenineffectsince themid -1980's.Theprogramwasdecentralizedin1995.Sincethen,thenumberof suggestionsandtotalestimatedsavingsofthesesuggestionshavesteadilydeclined.InFY 2001,theDepartmentforHumanResourceManagement(DHRM)preparedthereport,Study

ofCommonwealthRecognitionPrograms(HouseDocumentNo.40)thatrecommendedtha   t theEmployeeSuggestionProgrambecentralized.

Date: 03/19/02/amk
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cc:SecretaryofAdministration