



**AN ACT ESTABLISHING A REWARD PROGRAM FOR STATE  
EMPLOYEE REPORTING OF WASTEFUL PRACTICES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2019*) (a) As used in this  
2 section:

3 (1) "State employee" means any employee in the executive,  
4 legislative or judicial branch of state government, including employees  
5 in the classified and unclassified service and full-time and part-time  
6 employees;

7 (2) "State agency" means any office, department, board, council,  
8 commission, institution, constituent unit of the state system of higher  
9 education, technical education and career school or other agency in the  
10 executive, legislative or judicial branch of state government;

11 (3) "Gross waste of funds" means more than a merely debatable  
12 expenditure that is significantly out of proportion to the benefit  
13 reasonably expected to accrue to the government and includes, but is  
14 not limited to, gross mismanagement; and

15 (4) "Gross mismanagement" means a management action or inaction  
16 which creates a substantial risk of significant adverse impact upon the  
17 agency's ability to accomplish its mission, and excludes de minimis

18 wrongdoing or negligence.

19 (b) There is established a program to award state employees who  
20 make a suggestion (1) concerning a practice that is an alleged gross  
21 waste of funds in the state agency where such employee is employed  
22 to the state agency suggestion coordinator, (2) that is subsequently  
23 implemented by the agency, and (3) that results in cost savings to the  
24 agency. Not later than November 1, 2019, each state agency shall  
25 designate an existing employee within the agency to serve as the state  
26 agency suggestion coordinator, who shall not be eligible to participate  
27 in the program established under this section. Any state employee  
28 other than a state agency suggestion coordinator or agency or  
29 department head may make a written suggestion to the agency's state  
30 agency suggestion coordinator concerning an alleged gross waste of  
31 funds. The state agency suggestion coordinator shall review any  
32 suggestion received to determine whether the suggestion is eligible for  
33 consideration under this section and shall submit any eligible  
34 suggestions to the executive head of the state agency, or a designee, for  
35 consideration.

36 (c) If the agency implements the employee's suggestion, not later  
37 than a calendar year after such implementation, the agency shall  
38 determine the cost savings attributable to such implementation and  
39 submit its calculations to the Auditors of Public Accounts for  
40 verification. Once verified by the Auditors of Public Accounts, the  
41 agency shall make a lump-sum payment to the employee using the  
42 funds of the division or department within the agency that benefited  
43 from the cost savings. Such award shall be equivalent to five per cent  
44 of the state agency's estimated cost savings for the first calendar year  
45 after implementing the employee's suggestion and remedying the  
46 reported wasteful practice, provided such award shall not exceed ten  
47 thousand dollars. Any award under this section shall not be added to  
48 the employee's base salary for purposes of calculating the employee's  
49 retirement income but shall be subject to the tax imposed by chapter  
50 229 of the general statutes.

51 (d) If an employee retires or leaves state service after making a  
52 suggestion under this section that is subsequently implemented, the  
53 executive head of a state agency shall make a lump sum award to such  
54 former employee. If the employee is deceased, the award shall be  
55 made to such deceased employee's estate.

56 (e) If a suggestion is submitted jointly by more than one employee,  
57 the award shall be shared equally among the employees. If the same  
58 suggestion is submitted separately by two or more employees, the first  
59 suggestion received shall be eligible for the full amount of the award.

60 (f) Any suggestion that involves the following shall not be eligible  
61 for an award under this section: (1) Deferred maintenance or  
62 replacement of essential equipment and supplies; (2) individual  
63 employee compensation or position classification; (3) personal  
64 grievances or complaints; (4) suggestions that require a change to or  
65 that conflict with, federal or state law; (5) suggestions already  
66 submitted by another employee; (6) matters resulting from an agency  
67 audit, study, survey, review or research; (7) suggestions that involve  
68 correcting a condition that exists because established procedures are  
69 not being followed; (8) suggestions that constitute opinions only, and  
70 which cannot be supported by demonstrating a better idea, and the  
71 need for same; (9) suggestions concerning any matter subject to  
72 collective bargaining; (10) suggestions circumventing competitive  
73 procurement procedures provided by state law or policy; (11)  
74 suggestions which recommend or require formal studies, surveys,  
75 investigation or similar research activity to establish the benefits of a  
76 suggestion referred to; (12) suggestions which are hypothetical, vague,  
77 based on inconclusive justification or deal with generalities; (13)  
78 suggestions concerning the structure of lottery games conducted by  
79 the Connecticut Lottery Corporation, including, but not limited to,  
80 game design, prize patterns, draw dates and draw frequency; (14) any  
81 suggestion made by the agency suggestion coordinator or agency or  
82 department head; and (15) any suggestion resulting in less than ten  
83 thousand dollars in estimated savings to the agency.

84 (g) Any suggestion made under this section shall be a public record,  
85 as defined in section 1-200 of the general statutes.

86 Sec. 2. Section 5-263a of the general statutes is repealed. (*Effective*  
87 *October 1, 2019*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	New section
Sec. 2	<i>October 1, 2019</i>	Repealer section

***Statement of Legislative Commissioners:***

Section 1(b) was divided into Subsecs. (b) and (c), in Section 1(b) Subdiv. designators were added and in new Section 1(c) "taxation" was changed to "the tax imposed by chapter 229" for clarity.

***GAE***      *Joint Favorable Subst.*