

HCM Proposed Legislation

One-Page Summary

Section 1

- Grants agencies the discretion to consider a low job performance evaluation when conducting a RIF.

Section 2

- Allows agencies to give severance benefits to executive employees or employees whose position is not being eliminated pursuant to a RIF

Section 3

- Repeals the statutes related to voluntary-out benefits
- Statutes are abrogated by the Civil Service and Human Capital Modernization Act because the classified system is no longer in existence and VOBOs are only available to classified and unclassified employees

Section 4

- Effective date

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 _____ Bill XXXX

By:

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5
6 AS INTRODUCED

7 An Act relating to state employees; amending
8 62 O.S. [Insert citation], Section 34.301,
9 which relates to the Civil Service and Human
10 Capital Modernization Act; modifying the
11 Office of Veterans Placement; requiring that
12 all functions be conducted pursuant to certain
13 rules; amending 74 O.S. [Insert citation]
14 Sections 840-2.20, 840-2.20D, and 840-2.27C
15 which relates to the Oklahoma Personnel Act;
16 modifying eligible employee criteria;
17 clarifying language for inclusivity;
18 requiring that parental leave be considered
19 bonding leave; providing that certain
20 performance evaluations may be considered when
21 conducting a reduction-in-force; expanding
22 employees eligible to receive severance
23 benefits; repealing 74 O.S. [Insert
24 citations], Section; providing for
25 codification; and providing an effective date.

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27 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

28 SECTION 1. AMENDATORY 74 O.S. [], Section 2.27C, is
29 amended to read as follows:

30 Section 840-2.27C A. At least thirty (30) days before
31 the scheduled beginning of reduction-in-force separations or as
32 otherwise provided by law, the appointing authority shall post

1 in each office of executive branch agencies affected by the
2 proposed reduction-in-force notice that a reduction-in-force
3 will be conducted. The reduction-in-force implementation plan
4 shall be provided to the Director of the Office of Management
5 and Enterprise Services and any state employee association
6 representing state employees at such time. The notice shall not
7 be posted unless approved by the cabinet secretary for the
8 agency conducting the reduction-in-force. If there is no
9 incumbent cabinet secretary for the agency, the cabinet-
10 secretary-notice-approval requirement shall not be applicable.
11 If the appointing authority is governed by an elected official,
12 the cabinet-secretary-notice-approval requirement shall not be
13 applicable. The approved notice shall be posted in each office
14 affected by the proposed plan for five (5) days. The appointing
15 authority shall provide a copy of the notice to the
16 Administrator. A reduction-in-force shall not be used as a
17 disciplinary action. However, a low job performance evaluation
18 may be one factor that is considered when the appointing
19 authority conducts a reduction-in-force.

20 B. The reduction-in-force implementation plan shall:

21 1. Provide for the appointing authority to determine the
22 specific position or positions to be abolished within specified
23 units, divisions, facilities, agency-wide or any parts thereof;
24 and

1 2. Provide outplacement assistance and employment
2 counseling from the Oklahoma Employment Security Commission and
3 any other outplacement assistance and employment counseling made
4 available by the agency to affected employees regarding the
5 options available pursuant to the State Government Reduction-in-
6 Force and Severance Benefits Act prior to the date that a
7 reduction-in-force is implemented.

8 C. The Director of the Office of Management and
9 Enterprise Services shall review the fiscal components of the
10 reduction-in-force implementation and within five (5) business
11 days of receipt of reject any plan that does not:

12 1. Demonstrate that funds are available to cover
13 projected costs; and

14 2. Contain an estimate of the cost savings or reduced
15 expenditures likely to be achieved by the agency.

16 If the reduction-in-force is conducted pursuant to a
17 reorganization, the fiscal components of the reduction-in-force
18 implementation plan shall contain reasons for the
19 reorganization, which may include, but not be limited to,
20 increased efficiency, improved service delivery, or enhanced
21 quality of service.

22 D. When the Legislature is not in session, the
23 Contingency Review Board may, upon the request of the Governor,
24 direct agencies, boards and commissions to reduce the number of

1 employees working for the agency, board or commission whenever
2 it is deemed necessary and proper. Such reduction shall be made
3 pursuant to reduction-in-force plans as provided in this
4 section.

5 E. 1. When the Legislature is not in session, the
6 Contingency Review Board may, upon the request of the Governor,
7 direct and require mandatory furloughs for all state employees
8 whenever it is deemed necessary and proper. The Contingency
9 Review Board shall specify the effective dates for furloughs and
10 shall note any exceptions to state employees affected by same.
11 All employees, including those employees of agencies or offices
12 established by statute or the Constitution, shall be affected by
13 such actions.

14 2. Mandatory furlough means the involuntary temporary
15 reduction of work hours or the placement of an employee on
16 involuntary leave without pay. Rules governing leave, longevity
17 pay and participation in the State Employees Group Health,
18 Dental, Disability, and Life Insurance program shall not be
19 affected by mandatory furloughs. Furlough, as provided for in
20 this section or by rules adopted by the Director of the Office
21 of Management and Enterprise Services, shall not be appealable
22 under the provisions of this act.

23 3. Notwithstanding existing laws or provisions to the
24 contrary, members of state boards and commissions shall not

1 receive per diem expenses during periods of mandatory furlough.
2 The Contingency Review Board shall additionally call upon
3 elected officials, members of the judiciary, and other public
4 officers whose salary or emoluments cannot be altered during
5 current terms of office, to voluntarily donate to the General
6 Revenue Fund any portion of their salary which would otherwise
7 have been affected by a mandatory furlough.

8 F. All agencies directed by the Contingency Review Board
9 to terminate or furlough employees, shall report the cumulative
10 cost savings achieved by the reductions-in-force or furloughs to
11 the Governor, President Pro Tempore of the Senate and Speaker of
12 the House of Representatives on a quarterly basis for one (1)
13 year following the effective date of the action.

14 G. The appointing authority of an agency which has an
15 approved reduction-in-force plan pursuant to the State
16 Government Reduction-in-Force and Severance Benefits Act may
17 request the Director of the Office of Management and Enterprise
18 Services to appoint an interagency advisory task force for the
19 purpose of assisting the agency and its employees with the
20 implementation of the reduction-in-force. The appointing
21 authority of state agencies requested by the Administrator to
22 participate on a task force shall assign appropriate
23 administrative personnel necessary to facilitate the necessary

1 assistance required for the efficient implementation of the
2 approved reduction-in-force.

3 SECTION 2. 74 O.S. [Citations], Section 840-2.20D is
4 amended to read as follows:

5 Section 840-2.20D A. Agencies shall provide severance
6 benefits to affected state employees who are separated from the
7 state service as a result of a reduction-in-force due to a
8 reorganization or any other action by an agency which results in
9 affected positions being abolished and affected employees being
10 severed from the state service. Severance benefits shall be
11 given to permanent affected employees; provided, however,
12 affected employees of the University Hospitals Authority must
13 have been continuously employed in the state service since on or
14 before January 1, 1995, to receive severance benefits. Affected
15 employees who qualify for severance benefits pursuant to this
16 section, in addition to the payment of any compensable accrued
17 leave or other benefits an affected employee is eligible to
18 receive upon separation from the state service, shall receive
19 severance benefits consisting of the following elements:

20 1. All agency severance benefits shall provide the
21 following:

22 a. payment equal to the affected employee's current
23 health insurance premium for the affected
24 employee only for eighteen (18) months based on

1 the cost of the premium at the time of the
2 reduction-in-force. The appointing authority of
3 the agency can ask the Director of the Office of
4 Management and Enterprise Services to waive the
5 severance benefit provision in this subparagraph
6 or to reduce the length of coverage or subsequent
7 severance benefit payment upon demonstration of
8 the agency's inability to fund the full benefit,

9 b. a longevity payment, as prescribed by Section
10 840-2.18 of this title, in the amount which would
11 otherwise be paid to the affected employee on the
12 affected employee's next anniversary date, and

13 c. outplacement assistance and employment counseling
14 prior to and after the reduction-in-force from
15 the Oklahoma Employment Security Commission and
16 other state or private entities that the entity
17 may contract with to assist individuals who may
18 be impacted by a reduction-in-force;

19 2. In addition to the severance benefits provided by
20 paragraph 1 of this subsection, agencies shall give affected
21 employees severance benefit packages based on the following
22 options; provided that all affected employees are accorded
23 uniform treatment:

- 1 a. up to one (1) week of pay, calculated by dividing
2 the affected employee's current annual salary by
3 the whole number fifty-two (52), for each year of
4 service,
- 5 b. a lump-sum payment of Five Thousand Dollars
6 (\$5,000.00), or
- 7 c. payment for accumulated sick leave or extended
8 illness benefits at up to one-half (1/2) of the
9 affected employee's hourly rate not otherwise
10 used pursuant to law for conversion to credited
11 retirement credit; and

12 3. Agencies shall also be allowed to provide the
13 severance benefits to separating employees not subject to the
14 Civil Service and Human Capital Modernization Act and rules
15 promulgated thereunder ~~and~~ or whose position is not subject to
16 an imminent reduction-in-force, in exchange for executing a
17 release of all claims against the agency and the State of
18 Oklahoma as required by Section 840-2.27E of this title.

19 B. Part-time affected employees shall receive benefits
20 pursuant to this section on a prorated basis. Part-time
21 employees shall have been compensated for at least one thousand
22 (1,000) hours during the twelve (12) months immediately
23 preceding the effective date of the reduction-in-force to be

1 eligible for severance benefits pursuant to the State Government
2 Reduction-in-Force and Severance Benefits Act.

3 SECTION 3. REPEALER 74 O.S. [Citations], Sections 840-
4 2.28, 840-2.28A, and 840-2.28B are hereby repealed.

5 SECTION 4. This act shall become effective November 1,
6 2024.

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8 59-2-XXXX — 11/7/23

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