

**SENATE BILL No. 502**

By Committee on Ways and Means

3-8

1 AN ACT establishing an annual Kansas ideas festival by state employees  
2 for efficiency savings in state government.

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4 *Be it enacted by the Legislature of the State of Kansas:*

5 Section 1. (a) In addition to the employee award and recognition  
6 program for state employees pursuant to K.S.A. 2015 Supp. 75-37,105,  
7 and amendments thereto, the secretary of administration shall establish an  
8 annual Kansas ideas festival by state employees for efficiency savings in  
9 state government. At such festival, there shall be a governor's annual  
10 award for excellence in government as well as a runner-up award. Such  
11 individual awards to state employees shall not exceed \$25,000, as  
12 determined by the governor. Other awards for excellence may be given at  
13 the discretion of the governor. The total gross value of awards during a  
14 single fiscal year shall not exceed \$40,000.

15 (b) Any efficiency savings achieved through the implementation of  
16 any idea generated by the festival shall revert to the state general fund.  
17 Annually, on or before the first day of the regular session of the legislature,  
18 the secretary of administration shall provide the estimated amount of  
19 efficiency savings achieved through the implementation of any idea  
20 generated by the festival during the preceding fiscal year.

21 (c) No award paid pursuant to this section during the fiscal year shall  
22 be compensation, within the meaning of K.S.A. 74-4901 et seq., and  
23 amendments thereto, for any purpose under the Kansas public employees  
24 retirement system and shall not be subject to deductions for employee  
25 contributions thereunder. Each taxable award paid under this section shall  
26 meet the conditions for and be a discretionary bonus, as defined by 29  
27 C.F.R. § 778, and shall be in addition to the regular earnings to which that  
28 employee may be entitled or for which the employee may become eligible.  
29 Such awards are subject to taxes in accordance with federal internal  
30 revenue code regulations and shall not be deemed in violation of K.S.A.  
31 46-237a, and amendments thereto.

32 (d) The secretary of administration shall adopt rules and regulations  
33 to implement this section.

34 Sec. 2. This act shall take effect and be in force from and after its  
35 publication in the statute book.