2017 Regular Session

ACT No. 48

HOUSE BILL NO. 64

1

BY REPRESENTATIVE HENRY

2	To provide for the establishment and reestablishment of agency ancillary funds, to be
3	specifically known as internal service funds, auxiliary accounts, or enterprise funds
4	for certain state institutions, officials, and agencies; to provide for appropriation of
5	funds; and to regulate the administration of said funds.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. There are hereby appropriated the amounts shown below, which shall be
8	payable out of the state general fund, to the extent of funds deposited, unless otherwise
9	specified, for the establishment and reestablishment of agency ancillary funds which shall
10	be specifically known as internal service funds, auxiliary accounts, or enterprise funds. The
11	monies in each fund shall be used for working capital in the conduct of business enterprises
12	rendering public service, auxiliary service, and interagency service.
13	In the conduct of each such business, receipts shall be deposited in the state treasury
14	and disbursements made by the state treasurer to the extent of the amount deposited to the
15	credit of each ancillary fund, for the Fiscal Year 2017-2018. All funds appropriated herein
16	shall be expended in compliance with the public bid laws of the state.
17	Section 2.A. Except as otherwise provided by law or as herein otherwise provided,
18	any fund equity resulting from prior year operations shall be included as a resource of the
19	fund from which the ancillary fund is directly or indirectly derived.
20	B. Funds on deposit with the state treasury at the close of the fiscal year are
21	authorized to be transferred to each fund respectively, as equity for Fiscal Year 2018-2019.
22	All unexpended cash balances as of June 30, 2018, shall be remitted to the state
23	treasurer on or before August 14, 2018. If not reestablished in the subsequent year's Act, the
24	agency must liquidate all assets and return all advances no later than August 14, 2018.
25	C. The program descriptions contained in this Act are not part of the law and are not
26	enacted into law by virtue of their inclusion into this Act.

AN ACT

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Section 3. All money from federal, interagency transfers, statutory dedications, or fees and self-generated revenues shall be available for expenditure in the amounts herein appropriated.

Any increase in such revenues shall be available for allotment and expenditure by an agency on approval of an increase in the appropriation by the commissioner of administration and the Joint Legislative Committee on the Budget. Any increase in such revenues for an agency without an appropriation from the respective revenue source shall be incorporated into the agency's appropriation on approval of the commissioner of administration and the Joint Legislative Committee on the Budget.

Section 4.A. The figures in parentheses following the designation of a budget entity are the total authorized positions and authorized other charges positions for that entity. The number approved for each agency, as a result of the passage of this Act, may be increased by the commissioner of administration when sufficient documentation is presented and the request is deemed valid. Any request which exceeds five (5) positions, however, shall be approved by the commissioner of administration and the Joint Legislative Committee on the Budget.

B. The budget request of any agency with an appropriation level of thirty million dollars or more shall include within its existing table of organization positions which perform the function of internal auditing, including the position of a chief audit executive. The chief audit executive shall be responsible for ensuring that the internal audit function adheres to the Institute of Internal Auditors, International Standards for the Professional Practice of Internal Auditing. The chief audit executive shall maintain organizational independence in accordance with these standards and shall have direct and unrestricted access to the commission, board, secretary, or equivalent head of the agency. The chief audit executive shall certify to the commission, board, secretary, or equivalent head of the agency that the internal audit function conforms to the Institute of Internal Auditors, International Standards for the Professional Practice of Internal Auditing.

Section 5. All key and supporting performance objectives and indicators for the departments, agencies, programs, and budget units contained in the Governor's Executive Budget Supporting Document shall be adjusted by the commissioner of administration to

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reflect the funds appropriated therein. The commissioner of administration shall report on these adjustments to the Joint Legislative Committee on the Budget by August 15, 2017.

Section 6. The following definition is provided for the terms of this Act: "Working Capital" shall be considered the excess of current assets over current liabilities on an accrual basis.

Section 7. Should any section, subsection, clause, sentence, phrase, or part of the Act for any reason be held, deemed, or construed to be unconstitutional or invalid, such decisions shall not affect the remaining provisions of the Act, and the legislature hereby declares that it would have passed the Act, and each section, subsection, clause, sentence, phrase, or part thereof, irrespective of the fact that one or more of the sections, subsections, clauses, sentences, phrases, or parts thereof, is declared unconstitutional or invalid. To this end, the provisions of this Act are hereby declared severable.

Section 8. Internal Service Funds. These funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. Excess cash funds, excluding cash funds arising from working capital advances, shall be invested by the state treasurer with the interest proceeds there from credited to each account and shall not be transferred to the state general fund.

Section 9. In conjunction with the continuing assessment of the existing staff, assets, contracts, and facilities of each department, agency, program, or budget unit's information technology resources and procurement resources, upon completion of this assessment and to the extent optimization of these resources will result in the projected cost savings through staff reductions, realization of operational efficiencies, cost avoidance, and elimination of asset duplication, the commissioner of administration is authorized to transfer the functions, positions, assets, and funds from any other department, agency, program, or budget units related to these optimizations to a different department. The provisions of this Section shall not apply to the Department of Culture, Recreation and Tourism, or any agency contained in Schedule 04, Elected Officials, of the General Appropriation Act.

	HB NO. 64	ENROLLED
1	SCHEDULE 21	
2	ANCILLARY APPROPRIATIONS	
3	21-800 OFFICE OF GROUP BENEFITS	
4 5 6 7 8	EXPENDITURES: State Group Benefits - Authorized Positions (42) Program Description: Provides for the administration of group health and accidental insurance and group life insurance for current and former state employees and other participating groups.	\$ 1,465,783,992
9	TOTAL EXPENDITURES	<u>\$1,465,783,992</u>
10 11 12 13	MEANS OF FINANCE: State General Fund by: Interagency Transfers Fees & Self-generated Revenues	\$ 198,733 \$1,465,585,259
14	TOTAL MEANS OF FINANCING	\$1,465,783,992
15	21-804 OFFICE OF RISK MANAGEMENT	
16 17 18 19 20 21 22 23 24 25 26 27	EXPENDITURES: Risk Management - Authorized Positions (38) Program Description: Provides for the overall executive leadership and management of the office, support services, policy analysis, management direction of the state's self-insurance program; provides funding for the payment of losses on medical, malpractice, property, comprehensive general liability, personal injury, automobile liability, automobile physical damage, bonds, crime, aviation, wet marine boiler and machinery and miscellaneous tort claims; provides funding for the payment of contracts issued for professional legal defense of claims made against the state; provides funding for the reimbursement of the Division of Risk Litigation in the Office of the Attorney General for costs incurred for professional legal defense of claims made against the state.	\$ 202,798,117
28	TOTAL EXPENDITURES	<u>\$ 202,798,117</u>
29 30 31 32 33 34	MEANS OF FINANCE: State General Fund by: Interagency Transfers Fees & Self-generated Revenues Statutory Dedications: Future Medical Care Fund	\$ 182,953,805 \$ 17,844,312 \$ 2,000,000
35	TOTAL MEANS OF FINANCING	\$ 202,798,117
36 37 38 39 40	Payable out of the State General Fund by Fees and Self-generated Revenues to the Risk Management Program for claims payments, in the event that House Bill No. 403 of the 2017 Regular Session of the Legislature is enacted into law	\$ 7,582,927
41	21-806 LOUISIANA PROPERTY ASSISTANCE	
42 43 44 45 46	EXPENDITURES: Louisiana Property Assistance - Authorized Positions (39) Program Description: Provides for the accountability of the state's moveable property through the development and implementation of sound management practices.	\$ 6,269,590
47	TOTAL EXPENDITURES	\$ 6,269,590

	HB NO. 64	ENROLLED
1 2 3 4	MEANS OF FINANCE: State General Fund by: Interagency Transfers Fees & Self-generated Revenues	\$ 1,115,846 \$ 5,153,744
5	TOTAL MEANS OF FINANCING	<u>\$ 6,269,590</u>
6 7 8 9	Payable out of the State General Fund by Interagency Transfers from various state agencies for GPS payments to the Louisiana Property Assistance Program	\$ 800,000
10	21-807 LOUISIANA FEDERAL PROPERTY ASSISTANCE AGEN	ICY
11 12 13 14 15	EXPENDITURES: Federal Property Assistance - Authorized Positions (9) Program Description: Seeks to assure the fair and equitable distribution of federal property allocated to Louisiana by the General Services Administration to eligible Louisiana donees.	\$ 3,257,151
16	TOTAL EXPENDITURES	<u>\$ 3,257,151</u>
17 18 19 20	MEANS OF FINANCE: State General Fund by: Interagency Transfers Fees & Self-generated Revenues	\$ 234,342 \$ 3,022,809
21	TOTAL MEANS OF FINANCING	<u>\$ 3,257,151</u>
22	21-811 PRISON ENTERPRISES	
23 24 25 26 27 28 29 30	EXPENDITURES: Prison Enterprises - Authorized Positions (72) Program Description: Utilizes the resources of the Department of Public Safety and Corrections in the production of food, fiber, and other necessary items used by offenders in order to lower the cost of incarceration; provides products and services to state agencies and agencies of parishes, municipalities, and other political subdivisions; and provides work opportunities for offenders. Prison Enterprises conducts both industry operations and agriculture operations.	\$ 35,485,443
31	TOTAL EXPENDITURES	<u>\$ 35,485,443</u>
32 33 34 35	MEANS OF FINANCE: State General Fund by: Interagency Transfers Fees & Self-generated Revenues	\$ 24,540,368 \$ 10,945,075
36	TOTAL MEANS OF FINANCING	<u>\$ 35,485,443</u>
37	21-815 OFFICE OF TECHNOLOGY SERVICES	
38 39 40	EXPENDITURES: Technology Services - Authorized Positions (802) Authorized Other Charges Positions (9)	\$ 418,968,469
41	TOTAL EXPENDITURES	<u>\$ 418,968,469</u>

	HB NO. 64	ENROLLED
1 2 3	MEANS OF FINANCE: State General Fund by:	¢ 417 440 006
4	Interagency Transfers Fees and Self-generated Revenues	\$ 417,449,996 \$ 1,518,473
5	TOTAL MEANS OF FINANCING	<u>\$ 418,968,469</u>
6	21-816 DIVISION OF ADMINISTRATIVE LAW	
7 8 9 10 11	EXPENDITURES: Administration - Authorized Positions (58) Program Description: Provides a neutral forum for handling administrative hearings for certain state agencies, with respect for the dignity of individuals and their due process rights.	\$ 7,733,993
12	TOTAL EXPENDITURES	\$ 7,733,993
13 14 15 16	MEANS OF FINANCE: State General Fund by: Interagency Transfers Fees & Self-generated Revenues	\$ 7,705,096 \$ 28,897
17	TOTAL MEANS OF FINANCING	<u>\$ 7,733,993</u>
18	21-820 OFFICE OF STATE PROCUREMENT	
19 20 21 22 23	EXPENDITURES: State Procurement - Authorized Positions (92) Program Description: The mission of the Office of State Procurement is to provide cost-effective services that satisfy the needs of approved governmental units of the State of Louisiana through the management of products and services.	\$ 10,503,142
24	TOTAL EXPENDITURES	\$ 10,503,142
25 26 27 28	MEANS OF FINANCE: State General Fund by: Interagency Transfers Fees & Self-generated Revenues	\$ 8,496,667 \$ 2,006,475
29	TOTAL MEANS OF FINANCING	<u>\$ 10,503,142</u>
30	21-829 OFFICE OF AIRCRAFT SERVICES	
31 32 33 34 35 36 37 38	EXPENDITURES: Flight Maintenance - Authorized Positions (3) Program Description: The mission of the Office of Aircraft Services is to manage the overall maintenance and provide all needed and required support for safe, proper, and economic operation of the State's various aircraft. Flight Maintenance Operations ensures flight safety, maintains high safety standards while minimizing aircraft downtime for repairs, and provides high quality, efficient, and economical repair and fueling services for state-operated aircraft.	\$ 2,248,695
39 40	TOTAL EXPENDITURES MEANS OF FINANCE:	<u>\$ 2,248,695</u>
41 42 43	State General Fund by: Interagency Transfers Fees & Self-generated Revenues	\$ 1,819,480 \$ 429,215
44	TOTAL MEANS OF FINANCING	\$ 2,248,695

	HB NO. 64	ENROLLED	
1	21-860 CLEAN WATER STATE REVOLVING FUND		
2 3	EXPENDITURES: Clean Water State Revolving Fund	\$ 85,000,000	
4 5 6 7 8 9 10 11 12 13	Program Description: Helps individual citizens and local governments participate in environmental programs by assisting municipalities to finance and construct wastewater treatment works. The Clean Water State Revolving Fund is used by the Department of Environmental Quality to assist recipients of Environmental Protection Agency and construction grants in providing project inspection, construction management, and overall program management services, required for the completion of the Environmental Protection Agency program, as outlined in the management grant. Regional meetings are held in the state's eight planning districts with one-on-one follow-up meetings to make municipalities more aware of the program's benefits and requirements.		
14	TOTAL EXPENDITURES	<u>\$ 85,000,000</u>	
15 16 17 18	MEANS OF FINANCE: State General Fund by: Statutory Dedications: Clean Water State Revolving Fund	\$ 85,000,000	
19	TOTAL MEANS OF FINANCING	\$ 85,000,000	
20 21 22 23	Payable out of the State General Fund by Statutory Dedications out of the Clean Water State Revolving Fund due to a projected increase in the loan amount disbursements	\$ 30,000,000	
24	21-861 SAFE DRINKING WATER REVOLVING LOAN FUND		
25 26 27 28 29 30 31 32 33	EXPENDITURES: Safe Drinking Water Revolving Loan Fund Program Description: Assist public water systems in financing needed drinking water infrastructure improvements (e.g. treatment plant, distribution main replacement, storage facilities, new wells). The Safe Drinking Water Revolving Loan Fund provides assistance in the form of low-interest loans and technical assistance to public water systems in Louisiana to assist them with complying with state and federal drinking water regulations, ensuring that their customers are provided with safe drinking water thereby protecting the public health.	\$ 34,000,000	
34	TOTAL EXPENDITURES	<u>\$ 34,000,000</u>	
35 36 37 38	MEANS OF FINANCE: State General Fund by: Statutory Dedication: Safe Drinking Water Revolving Loan Fund	\$ 34,000,000	
39	TOTAL MEANS OF FINANCING	<u>\$ 34,000,000</u>	
40	Section 10. This Act shall become effective on July 1, 2017.		

COMPARATIVE STATEMENT

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In accordance with R.S. 39:51(B), the following represents a comparative statement for each program, department and budget unit. The authorized positions and operating budget for FY 2016-2017 as of December 1, 2016, are compared to the appropriations for FY 2017-2018 4 5 as contained in the original bill. The commissioner of administration shall adjust the 6 amounts shown to reflect final appropriations after enactment of this bill.

		EOB AS OF 12/01/2016	ORIGINAL APPROPRIATION
21A-ANCIL			
21-800	Office of Group Benefits		
State Group Benefits State Group	Interagency Transfers	\$198,733	\$198,733
Benefits	Fees & Self-generated Revenues	\$1,445,078,063	\$1,465,585,259
	Program Total: Authorized Positions: Authorized Other Charges Positions:	\$1,445,276,796 42 0	\$1,465,783,992 42 0
	Agency Total: Authorized Positions: Authorized Other Charges Positions:	\$1,445,276,796 42 0	\$1,465,783,992 42 0
21-804	Office of Risk Management		
Risk Management	Interagency Transfers	\$183,203,347	\$183,353,805
Risk Management	Fees & Self-generated Revenues	\$17,844,312	\$17,844,312
Risk Management	Statutory Dedications	\$2,000,000	\$2,000,000
	Program Total: Authorized Positions: Authorized Other Charges Positions:	\$203,047,659 37 0	\$203,198,117 40 0
	Agency Total: Authorized Positions: Authorized Other Charges Positions:	\$203,047,659 37	\$203,198,117 40
21-806	Louisiana Property Assistance Agency		
Louisiana Property Assistance Louisiana	Interagency Transfers	\$1,078,852	\$1,115,846
Property Assistance	Fees & Self-generated Revenues	\$5,056,462	\$5,153,744
	Program Total: Authorized Positions: Authorized Other Charges	\$6,135,314 39 0	\$6,269,590 39
	Positions: Agency Total: Authorized Positions: Authorized Other Charges Positions:	\$6,135,314 39	\$6,269,590 39

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21-807	Federal Property Assistance Agency		
Federal Property Assistance	Interagency Transfers	\$234,342	\$234,342
Federal Property Assistance	Fees & Self-generated Revenues	\$3,020,977	\$3,022,809
	Program Total: Authorized Positions:	\$3,255,319 9	\$3,257,151 9
	Authorized Other Charges Positions:	0	0
	Agency Total: Authorized Positions: Authorized Other Charges Positions:	\$3,255,319 9	\$3,257,151 9
21-811	Prison Enterprises	v	· ·
Prison Enterprises	Interagency Transfers	\$23,674,511	\$24,540,368
Prison Enterprises	Fees & Self-generated Revenues	\$10,654,003	\$10,945,075
Thsoil Enterprises	Program Total: Authorized Positions:	\$34,328,514 72	\$35,485,443 72
	Authorized Other Charges Positions:	0	0
	Agency Total: Authorized Positions: Authorized Other Charges Positions:	\$34,328,514 72	\$35,485,443 72
21-815	Office of Technology Services		
Office of Production Support Services Office of Production	Interagency Transfers	\$19,833,812	\$0
Support Services	Fees & Self-generated Revenues	\$150,000	\$0
	Program Total: Authorized Positions: Authorized Other Charges Positions:	\$19,983,812 65	\$0 0
Office of Technology Services Office of Technology	Interagency Transfers	\$228,545,416	\$417,949,996
Services	Fees & Self-generated Revenues	\$25,000	\$1,018,473
	Program Total: Authorized Positions: Authorized Other Charges Positions:	\$228,570,416 656 9	\$418,968,469 802

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Office of Telecommunication Management Office of Telecommunica-	Interagency Transfers	\$47,870,394	\$0
tion Management	Fees & Self-generated Revenues	\$843,473	\$0
	Program Total: Authorized Positions: Authorized Other Charges	\$48,713,867 81	\$0 0
	Positions:	v	v
	Agency Total: Authorized Positions: Authorized Other Charges Positions:	\$297,268,095 802	\$418,968,469 802
21-816	Division of Administrative Law	9	9
		¢7.010.202	\$7.705.00 <i>(</i>
Administration Administration	Interagency Transfers Fees & Self-generated Revenues	\$7,910,203 \$28,897	\$7,705,096 \$28,897
	Program Total: Authorized Positions:	\$7,939,100 58	\$7,733,993 58
	Authorized Other Charges Positions:	0	0
	Agency Total: Authorized Positions: Authorized Other Charges	\$7,939,100 58	\$7,733,993 58
	Positions:	0	0
21-820	Office of State Procurement		
Office of State Procurement	Interagency Transfers	\$9,496,667	\$8,496,667
Office of State Procurement	Fees & Self-generated Revenues	\$977,622	\$2,006,475
	Program Total:	\$10,474,289	\$10,503,142
	Authorized Positions: Authorized Other Charges	92 0	92 0
	Positions:	U	U
	Agency Total: Authorized Positions:	\$10,474,289 92	\$10,503,142 92
	Authorized Other Charges Positions:	0	0
21-821	Office of State Human Capital Management		
Office of State Human Capital			
Management	Interagency Transfers	\$4,778,698	\$0
	Program Total: Authorized Positions:	\$4,778,698 318	\$0 0
	Authorized Other Charges Positions:	1	0
	Agency Total:	\$4,778,698	\$0
	Authorized Positions: Authorized Other Charges	318	0
	Positions:	1	0

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HB NO. 64			ENROLLED
21-829	Office of Aircraft Services		
Flight Maintenance	Interagency Transfers	\$1,877,953	\$1,819,480
Flight Maintenance	Fees & Self-generated Revenues	\$429,215	\$429,215
	Program Total:	\$2,307,168	\$2,248,695
	Authorized Positions:	3	3
	Authorized Other Charges Positions:	0	0
	Authorized Positions:	3	3
	Authorized Other Charges Positions:	0	0
21-860	Clean Water		
Clean Water State			
Revolving Fund	Statutory Dedications	\$85,000,000	\$85,000,000
	Program Total:	\$85,000,000	\$85,000,000
	Authorized Positions:	0	0
	Authorized Other Charges Positions:	0	0
	Agency Total:	\$85,000,000	\$85,000,000
	Authorized Positions:	0	0
	Authorized Other Charges Positions:	0	0
21-861	Safe Drinking Water Revolving Loan Fund		
Safe Drinking			
Water Revolving Loan Fund	Statutory Dedications	\$34,000,000	\$34,000,000
	Program Total:	\$34,000,000	\$34,000,000
	Authorized Positions: Authorized Other Charges	0	0
	Positions:	0	0
	Agency Total: Authorized Positions:	\$34,000,000 0	\$34,000,000
	Authorized Other Charges	U	U
	Positions:	0	0
	SPEAKER OF THE HOU PRESIDENT OF THE SI	ENATE	

APPROVED: