DIGEST

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Fannin HB No. 32

Abstract: Appropriates funds and provides for ancillary expenses of state government including internal service funds, auxiliary accounts, and enterprise funds.

Proposed law provides for the establishment and reestablishment of agency ancillary funds, to be specifically known as internal service funds, auxiliary accounts, or enterprise funds for certain state institutions, officials, and agencies. Requires the appropriated funds, to the extent deposited, unless otherwise specified, to be used for working capital in the conduct of business enterprises rendering public, auxiliary, and interagency services. Requires receipts from the conduct of such businesses to be deposited to the credit of each ancillary fund for FY 2011-2012. Requires all funds to be expended in accordance with public bid laws.

Proposed law requires, except as otherwise provided, any fund equity resulting from prior year operations be included as a resource of the fund from which it is derived. Provides that all funds on deposit with the state treasury at the close of the fiscal year are authorized to be transferred to each fund as equity for FY 2012-2013. Further provides that all unexpended cash balances as of June 30, 2012, shall be remitted to the state treasurer on or before August 14, 2012. Further provides that if not reestablished in the subsequent year's Act, the agency must liquidate all assets and return all advances no later than August 14, 2012.

Proposed law provides that the program descriptions contained in the Act are not enacted into law by virtue of their inclusion in the Act. Further provides that, unless explicitly stated otherwise, each program objective and associated performance indicator contained in the Act shall reflect performance to be achieved for FY 2011-2012.

Proposed law provides that all money from federal, interagency, statutory dedications, or self-generated revenues of an agency be deemed available for expenditures in the amounts appropriated, and any increase in such revenues over the amounts appropriated shall only be available for expenditure by the agency with approval of the division of administration and the Joint Legislative Committee on the Budget (JLCB).

Proposed law provides that the number of employees approved for each agency may be increased by the commissioner of administration when appropriate documentation is deemed valid; however, any request which exceeds five positions requires approval of the division of administration and JLCB.

Proposed law requires any agency with an appropriation level of $30 million or more to include positions within its table of organization which performs internal auditing service.

Proposed law provides for the agencies and amount of the working capital fund allocated to each.

Effective July 1, 2011.

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Deleted language providing that the proceeds generated as a result of the sale or other transaction by the Office of Group Benefits which has the effect of transforming its operations be deposited into the Overcollections Fund.

2. Added $122,634.20 from Fees and Self-generated Revenues to the Office of Group Benefits for satisfaction of a consent judgment.

3. Added $10,155,906 from Fees and Self-Generated Revenues and 149 positions to the Office of Group Benefits, State Group Benefits.

4. Reduced the number of authorized positions for Prison Enterprises by 24 positions.