DIGEST

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Geymann HB No. 203

Abstract: Requires legislative approval for a state official or employee to receive compensation in excess of 120% of the salary authorized by law for the governor. Provides procedures for approval. Provides exceptions.

Proposed law prohibits payment of compensation to a state official or employee that exceeds 120% of the salary established by law for the governor, unless such compensation is approved by the legislature. Provides that legislative approval may be granted only by adoption of a concurrent resolution for each budget unit listing the particular positions, and the amount and type of compensation approved for such position or by inclusion of such approval and information in the General Appropriation Act. Present law (R.S. 36:10) provides that the governor's salary is $130,000. (120% of $130,000 = $156,000)

Proposed law further provides that when the legislature is not in session, the Joint Legislative Committee on the Budget may approve compensation for a person appointed to a position as a state official or employee whose compensation exceeds proposed law limit and has not been approved by the legislature in accordance with proposed law.

Proposed law provides that approval is not required for compensation in effect on June 30, 2011, that exceeds 120% of the governor's salary; however, specifies that any increase in such compensation after June 30, 2011, shall require such approval. Proposed law further provides that once compensation for a position is approved as provided in proposed law, that approval for subsequent fiscal years is not required; however, any subsequent increase in compensation for the position shall require such approval.

Proposed law provides definitions:

(1) "Compensation" means any thing of economic value which is paid, loaned, granted, given, donated, or transferred or to be paid, loaned, granted, given, donated, or transferred to a state official or employee for or in consideration of the performance of work, duties, or responsibilities, including but not limited to salary and any housing allowance, travel or car allowance, expense allowance, or any other similar payment. Does not include any salary supplement or other amount paid to a person from nonpublic funds that is not otherwise prohibited by law or the provision of health care or retirement benefits in the manner provided by law.

(2) "State official or employee" means a person who holds office or employment with a

department, agency, office, or other unit or official of the executive branch of state government. Does not include a state official or employee whose compensation is fixed by law. Does not include a person in the classified state service. Does not include a person in the unclassified service whose position is one of the following: Professor, Assistant Professor, Associate Professor, Physicist, Physician I through Physician V, Health Services Physician, Psychiatrist, Anesthetist, Head Coach, Assistant Head Coach, Assistant Coach, or Coach.

Proposed law provides that when the legislature is not in session the Joint Legislative Committee on the Budget may except additional positions from legislative approval, but such exceptions shall be effective only for the then current fiscal year unless added by law.

Effective July 1, 2011.

(Adds R.S. 39:85.1)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on House and Governmental Affairs to the original bill.

1. Removes provision that approval of the compensation by the legislature is for one fiscal year only and that approval by the Joint Legislative Committee on the Budget is only effective for the remainder of the fiscal year and that approval for subsequent fiscal years is required.

2. Specifically provides that once the compensation for a position is approved, subsequent approval is not required unless the compensation is increased.

3. Changes the definition of compensation by removing the term "personal services" and providing instead for the performance of work, duties, and functions and by specifically excluding health care and retirement benefits.

4. Specifies that approval by concurrent resolution requires a concurrent resolution for each budget unit.