Regular Session, 2011

HOUSE BILL NO. 203

BY REPRESENTATIVE GEYMANN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PUBLIC EMPLOYEES: Requires legislative approval for a state executive branch official or employee to receive compensation that exceeds the salary authorized by law for the governor by more than 20% with certain exceptions

AN ACT

To enact R.S. 39:85.1, relative to compensation of state officials and employees; to require legislative approval for a state official or employee to receive compensation in excess of a certain limitation; to provide for approval procedures and effectiveness; to provide exceptions; to provide for approval of compensation when the legislature is not in session; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:85.1 is hereby enacted to read as follows:

§85.1. Compensation of state officials and employees; legislative approval required above certain amount; exceptions

A. For purposes of this Section, unless the context clearly indicates otherwise, the following terms shall mean the following:

(1) "Compensation" shall mean 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. It shall not include any salary supplement or other amount paid to

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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. It shall not include a state official or employee the amount of whose compensation is fixed by law. It shall not include a person in the classified state service. It shall 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.

B. No state official or employee shall be paid in any fiscal year compensation that exceeds one hundred twenty percent of the salary established by law for the governor, unless such compensation is approved by the legislature as provided in this Section. Such legislative approval may be granted only by adoption by both houses of the legislature of a concurrent resolution for each budget unit that specifically lists the particular positions within the budget unit and the amount and type of compensation approved for each such position or by inclusion of such approval and information in the General Appropriation Bill enacted by the legislature.

C.(1) If on June 30, 2011, the compensation of a state official or employee exceeds the limitation provided in Subsection B of this Section, approval of such compensation as provided in this Section shall not be required; however, any increase in such compensation after June 30, 2011, shall require such approval.

(2) Once the amount of compensation for a position is approved as provided in this Section, approval shall not be required for a subsequent fiscal year; however, any subsequent increase of compensation for the position shall require such approval.

D. If a person is appointed to a position as a state official or employee when the legislature is not in session and the compensation for such position is in excess

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of the limitation in Subsection B of this Section but has not been approved for the particular position as required by Subsection B of this Section, such compensation may be paid if approved by the Joint Legislative Committee on the Budget.

Section 2. This Act shall become effective on July 1, 2011; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on July 1, 2011, or on the day following such approval by the legislature, whichever is later.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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

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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.

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.

House Floor Amendments to the engrossed bill.

1. Removes proposed provision that allowed the Joint Legislative Committee on the Budget to temporarily except additional employment positions from legislative approval.

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