

Regular Session, 2014

HOUSE BILL NO. 853

BY REPRESENTATIVE HARRIS

1 AN ACT

2 To amend and reenact R.S. 39:2(23), (24), (46), and (47), 36(A), 51(C), 87.2(B) and (C)(1),
3 and 87.3(A)(introductory paragraph), (2)(a), (3), and (4)(a) and (B), relative to the
4 operating budget; to provide for definitions; to provide for information included in
5 the executive budget; to provide for information included in the General
6 Appropriation Bill; to provide for information included in the Ancillary
7 Appropriation Act; to provide for an effective date; and to provide for related
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 39:2(23), (24), (46), and (47), 36(A), 51(C), 87.2(B) and (C)(1), and
11 87.3(A)(introductory paragraph), (2)(a), (3), and (4)(a) and (B) are hereby amended and
12 reenacted to read as follows:

13 §2. Definitions

14 * * *

15 (23) "Key objective" means an objective which is designated as such by the
16 commissioner of administration and is included in the ~~General Appropriation Act or~~
17 ~~the Ancillary Appropriation Act~~ executive budget or the executive budget supporting
18 document.

19 (24) "Key performance indicator" means a performance indicator which is
20 designated as such by the commissioner of administration and is included in the

1 ~~General Appropriation Act or the Ancillary Appropriation Act~~ executive budget or
2 the executive budget supporting document.

3 * * *

4 (46) "Supporting objective" means an objective which is designated as such
5 by the commissioner of administration and is included in the executive budget
6 supporting document and not included in the ~~General Appropriation Act or Ancillary~~
7 ~~Appropriation Act~~ executive budget.

8 (47) "Supporting performance indicator" means a performance indicator
9 which is designated as such by the commissioner of administration and is included
10 in the executive budget supporting document and not included in the ~~General~~
11 ~~Appropriation Act or Ancillary Appropriation Act~~ executive budget.

12 * * *

13 §36. Contents and format of executive budget; supporting document

14 A. The executive budget shall present a complete financial and
15 programmatic plan for the ensuing year, and it shall be configured in a format so as
16 to clearly present and highlight the functions and operations of state government and
17 the financial requirements associated with those functions and operations. The
18 executive budget shall be a performance-based budget and as such may include key
19 objectives and key performance indicators. The commissioner of administration may
20 designate key objectives and key performance indicators to be included in the
21 executive budget. ~~It~~ Additionally, the executive budget shall include at a minimum
22 the following:

23 * * *

24 §51. General Appropriation Bill; other appropriation bills

25 * * *

26 C. The General Appropriation Bill shall reflect ~~a performance-based budget,~~
27 ~~with~~ specific appropriations for each agency and its programs ~~to include key~~
28 ~~objectives and key performance indicators therefor.~~ ~~The General Appropriation Bill~~
29 ~~may also contain provisions for specific rewards or penalties for certain agencies as~~
30 ~~provided in R.S. 39:87.4~~ and shall include the allocation of expenditures, itemized

1 by category for each agency, as recommended for the ensuing fiscal year in the
 2 supporting document. The provisions of this Subsection regarding the allocation of
 3 expenditures shall not apply to any agency or program in Schedule 19, Higher
 4 Education, or Louisiana State University Health Sciences Center Health Care
 5 Services Division.

6 * * *

7 §87.2. Performance data; rewards and penalties; modifications to data

8 * * *

9 B. Key objectives, key performance indicators, and the performance
 10 standards for such key performance indicators ~~which are~~ may be contained in the
 11 ~~General Appropriation Act, Ancillary Appropriation Act, or any other appropriation~~
 12 ~~act through which an executive branch agency receives an appropriation, shall be~~
 13 ~~included in the agency's appropriation~~ executive budget. However, in each fiscal
 14 year any key objectives and key performance indicators recommended and contained
 15 in the executive budget supporting document for an agency which are not contained
 16 in an ~~appropriation act~~ the executive budget, and which are not designated as key
 17 performance objectives and key performance indicators by the commissioner of
 18 administration, shall be designated as supporting objectives and supporting
 19 performance indicators for that fiscal year. The availability of funds appropriated
 20 shall be conditioned upon each agency's compliance with the provisions of R.S.
 21 39:87.3, relative to reporting of performance.

22 C.(1) In order to ensure adoption of the most accurate expectations of agency
 23 performance within the state budget, performance data contained in the ~~adopted~~
 24 ~~budget~~ executive budget or the executive budget supporting document may be
 25 adjusted at the beginning of the fiscal year.

26 * * *

27 §87.3. Performance progress reports

28 A. Each agency receiving an appropriation in the General Appropriation Act
 29 or the Ancillary Appropriation Act shall produce a series of performance progress
 30 reports. The reports shall provide the legislature with information on the agency's

1 actual progress toward achievement of that year's performance standards for
 2 performance indicators contained within ~~the General Appropriation Act, the~~
 3 ~~Ancillary Appropriation Act, and~~ the executive budget or the executive budget
 4 supporting document. The Joint Legislative Committee on the Budget or a
 5 subcommittee thereof, hereinafter referred to in this Section as the "committee", shall
 6 prescribe the format and the method of transmission of the reports. The reports shall
 7 be submitted to the committee, the legislative fiscal officer, the legislative auditor,
 8 and the commissioner of administration, and shall contain data as provided in
 9 Paragraphs (1) through (4) of this Subsection, as well as any other data required by
 10 the committee relative to agency performance and accountability. The reporting
 11 schedule and specific components of each report are as follows:

12 * * *

13 (2) The Mid-year Performance Progress Report shall be submitted to the
 14 committee, the legislative fiscal officer, the legislative auditor, and the commissioner
 15 of administration on or before February eighth of each year, and it shall contain data
 16 for the period of July through December of the current fiscal year. It shall include:

17 (a) For each performance indicator included in the executive budget or
 18 executive budget supporting document ~~or the General Appropriation Act or the~~
 19 ~~Ancillary Appropriation Act~~, a comparison of the actual performance with the annual
 20 performance standard therefor contained in the executive budget supporting
 21 document ~~or the General Appropriation Act or the Ancillary Appropriation Act~~,
 22 including a brief explanation of any variance from the standard which exceeds five
 23 percent.

24 * * *

25 (3) The Third Quarter Performance Progress Report shall be submitted to the
 26 committee, the legislative fiscal officer, the legislative auditor, and the commissioner
 27 of administration on or before May eighth of each year, and it shall contain data for
 28 the period of July through March of the current fiscal year. It shall include, for each
 29 key performance indicator designated as such and contained in the ~~General~~
 30 ~~Appropriation Act or the Ancillary Appropriation Act~~ executive budget or the

1 executive budget supporting document, a comparison of the actual performance with
2 the annual performance standard therefor, including a brief explanation of any
3 variance from the standard which exceeds five percent.

4 (4) The Year-end Performance Progress Report shall be submitted to the
5 committee, the legislative fiscal officer, the legislative auditor, and the commissioner
6 of administration on or before September eighth of each year. It shall contain data
7 from the immediately preceding fiscal year, and it shall cover the period of July
8 through June of that fiscal year, to include:

9 (a) For each performance indicator included in the executive budget or
10 executive budget supporting document ~~or the General Appropriation Act or the~~
11 ~~Ancillary Appropriation Act~~, a comparison of the actual performance with the annual
12 performance standard therefor contained in the executive budget supporting
13 document ~~or the General Appropriation Act or the Ancillary Appropriation Act~~,
14 including a brief explanation of any variance from the standard which exceeds five
15 percent.

16 * * *

17 B. The performance progress reports shall be used by the committee in the
18 assessment of each agency's progress in achieving the performance standards
19 contained in ~~the General Appropriation Act or the Ancillary Appropriation Act~~ and
20 the executive budget or executive budget supporting document. Each agency's
21 performance progress reports, particularly the Year-end Performance Progress
22 Report, shall be reviewed and considered by the committee in the development of
23 any recommendation for or the granting of any reward or imposition of any penalty
24 authorized under R.S. 39:87.4.

25 * * *

1 Section 2. This Act shall become effective on July 1, 2014; if vetoed by the governor
2 and subsequently approved by the legislature, this Act shall become effective on July 1,
3 2014, or on the day following such approval by the legislature, whichever is later.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____