AN ACT

To provide 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; to provide for appropriation of funds for Fiscal Year 2022-2023; to provide for an effective date; and to regulate the administration of said funds.

Be it enacted by the Legislature of Louisiana:

Section 1. There are hereby appropriated the amounts shown below, which shall be payable out of the state general fund, to the extent of funds deposited, unless otherwise specified, for the establishment and reestablishment of agency ancillary funds which shall be specifically known as internal service funds, auxiliary accounts, or enterprise funds. The monies in each fund shall be used for working capital in the conduct of business enterprises rendering public service, auxiliary service, and interagency service.

In the conduct of each such business, receipts shall be deposited in the state treasury and disbursements made by the state treasurer to the extent of the amount deposited to the credit of each ancillary fund, for the current fiscal year. All funds appropriated herein shall be expended in compliance with the public bid laws of the state.

Section 2.A. Except as otherwise provided by law or as herein otherwise provided, any fund equity resulting from prior year operations shall be included as a resource of the fund from which the ancillary fund is directly or indirectly derived.

B. Funds on deposit with the state treasury at the close of the fiscal year are authorized to be transferred to each fund respectively, as equity for the next fiscal year.

All unexpended cash balances as of June 30, 2023, shall be remitted to the state
treasurer on or before August 14, 2023. If not reestablished in the subsequent year's Act, the agency shall liquidate all assets and return all advances no later than August 14, 2023.

C. The program descriptions contained in this Act are not part of the law and are not enacted into law by virtue of their inclusion into this Act.

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 of employees 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. However, any request which exceeds five positions 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 reflect the funds appropriated therein. The commissioner of administration shall report on these adjustments to the Joint Legislative Committee on the Budget each year by August fifteenth.

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 therefrom 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.
### SCHEDULE 21

#### ANCILLARY APPROPRIATIONS

#### 21-800 OFFICE OF GROUP BENEFITS

<table>
<thead>
<tr>
<th>EXPENDITURES:</th>
<th>FY 22 EOB</th>
<th>FY 23 REC</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Group Benefits - Authorized Positions</td>
<td>(42)</td>
<td>(56)</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$1,809,133,191</td>
<td>$1,809,705,404</td>
</tr>
</tbody>
</table>

**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.

<table>
<thead>
<tr>
<th>TOTAL EXPENDITURES</th>
<th>$1,809,133,191</th>
<th>$1,809,705,404</th>
</tr>
</thead>
</table>

**MEANS OF FINANCE:**

- State General Fund by:
  - Interagency Transfers | $598,733 | $598,733 |
  - Fees & Self-generated Revenues | $1,808,534,458 | $1,809,106,671 |

<table>
<thead>
<tr>
<th>TOTAL MEANS OF FINANCING</th>
<th>$1,809,133,191</th>
<th>$1,809,705,404</th>
</tr>
</thead>
</table>

#### 21-804 OFFICE OF RISK MANAGEMENT

<table>
<thead>
<tr>
<th>EXPENDITURES:</th>
<th>FY 22 EOB</th>
<th>FY 23 REC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Management - Authorized Positions</td>
<td>(41)</td>
<td>(41)</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$358,342,481</td>
<td>$324,218,483</td>
</tr>
</tbody>
</table>

**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.

<table>
<thead>
<tr>
<th>TOTAL EXPENDITURES</th>
<th>$358,342,481</th>
<th>$324,218,483</th>
</tr>
</thead>
</table>

**MEANS OF FINANCE:**

- State General Fund by:
  - Interagency Transfers | $265,682,662 | $275,551,395 |
  - Fees & Self-generated Revenues | $90,659,819 | $46,667,088 |
  - Statutory Dedications: Future Medical Care Fund | $2,000,000 | $2,000,000 |

<table>
<thead>
<tr>
<th>TOTAL MEANS OF FINANCING</th>
<th>$358,342,481</th>
<th>$324,218,483</th>
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#### 21-806 LOUISIANA PROPERTY ASSISTANCE

<table>
<thead>
<tr>
<th>EXPENDITURES:</th>
<th>FY 22 EOB</th>
<th>FY 23 REC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Louisiana Property Assistance - Authorized Positions</td>
<td>(37)</td>
<td>(37)</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$7,747,236</td>
<td>$8,692,368</td>
</tr>
</tbody>
</table>

**Program Description:** Provides for the accountability of the state's movable property through the development and implementation of sound management practices.

<table>
<thead>
<tr>
<th>TOTAL EXPENDITURES</th>
<th>$7,747,236</th>
<th>$8,692,368</th>
</tr>
</thead>
<tbody>
<tr>
<td>HB NO. 465</td>
<td>ENROLLED</td>
<td></td>
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### MEANS OF FINANCE:

State General Fund by:

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 22 EOB</th>
<th>FY 23 REC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interagency Transfers</td>
<td>$1,615,846</td>
<td>$1,615,846</td>
</tr>
<tr>
<td>Fees &amp; Self-generated Revenues</td>
<td>$6,131,390</td>
<td>$7,076,522</td>
</tr>
</tbody>
</table>

**TOTAL MEANS OF FINANCING**

$7,747,236 $8,692,368

21-807 LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY

**EXPENDITURES:**

**FY 22 EOB** | **FY 23 REC**
---|---
Federal Property Assistance - Authorized Positions | (9) | (9)
Expenditures | $3,415,050 | $3,441,308

**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.

**TOTAL EXPENDITURES**

$3,415,050 $3,441,308

21-811 PRISON ENTERPRISES

**EXPENDITURES:**

**FY 22 EOB** | **FY 23 REC**
---|---
Prison Enterprises - Authorized Positions | (72) | (72)
Expenditures | $33,763,220 | $34,484,007

**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.

**TOTAL EXPENDITURES**

$33,763,220 $34,484,007

21-815 OFFICE OF TECHNOLOGY SERVICES

**EXPENDITURES:**

**FY 22 EOB** | **FY 23 REC**
---|---
Technology Services - Authorized Positions | (828) | (828)
Authorized Other Charges Positions | (9) | (9)
Expenditures | $525,667,324 | $670,082,509

**Program Description:** The mission of the Office of Technology Services (OTS) is to establish competitive, cost-effective technology systems and services while acting as the sole centralized customer for the acquisition, billing and record keeping of those technology systems and services.

**TOTAL EXPENDITURES**

$525,667,324 $670,082,509
services. OTS shall charge respective user agencies for the cost of the technology and services provided including the cost of the operation of the office in a fair, equitable, and consistent manner, in full compliance with State of Louisiana statutes.

TOTAL EXPENDITURES $ 525,667,324 $ 670,082,509

MEANS OF FINANCE:

State General Fund by:

Interagency Transfers $ 524,148,851 $ 668,564,036

The allocations listed below are provided for informational purposes only and shall not be construed to limit the expenditures or means of financing of the Office of Technology Services.

Executive Department $ 50,528,314
Department of Transportation and Development $ 32,108,983
Department of Public Safety and Corrections- Corrections Services $ 11,477,406
Department of Public Safety and Corrections- Public Safety Services $ 53,964,933
Department of Public Safety and Corrections- Youth Services $ 9,237,870
Louisiana Department of Health $ 263,663,085
Department of Children and Family Services $ 94,155,277
Department of Revenue $ 29,770,915
Louisiana Workforce Commission $ 27,830,125
Department of Education $ 34,973,882
Remaining State Agencies $ 60,853,246
Total Interagency Transfers $ 668,564,036

Fees & Self-generated Revenues $ 1,518,473 $ 1,518,473

Production Support Services to local and other governmental entities $ 255,878
Telecommunications Services to local and other governmental entities $ 403,408
IT Support Services to local and other governmental entities $ 859,187
Total Fees & Self-generated Revenues $ 1,518,473

TOTAL MEANS OF FINANCING $ 525,667,324 $ 670,082,509

BY EXPENDITURE CATEGORY:

Personal Services $ 101,336,565
Operating Expenses $ 204,966,990
Professional Services $ 302,124,033
Other Charges $ 52,083,104
Acquisitions and Major Repairs $ 9,571,817

TOTAL BY EXPENDITURE CATEGORY $ 670,082,509

Payable out of State General Fund by Interagency Transfers from the Department of Education to the Technology Services Program for the purchase of IT equipment and software as authorized through Emergency Assistance for Non-Public Schools $ 24,000,000

21-816 DIVISION OF ADMINISTRATIVE LAW

EXPENDITURES: FY 22 EOB FY 23 REC
Administration - Authorized Positions (58) (58)
Expenditures $ 8,643,902 $ 9,829,286

Page 6 of 9
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.

TOTAL EXPENDITURES $ 8,643,902 $ 9,829,286

MEANS OF FINANCE:

State General Fund by:
Interagency Transfers $ 8,615,005 $ 9,800,389
Fees & Self-generated Revenues $ 28,897 $ 28,897

TOTAL MEANS OF FINANCING $ 8,643,902 $ 9,829,286

21-820 OFFICE OF STATE PROCUREMENT

EXPENDITURES:
Office of State Procurement - Authorized Positions (99) (99) Expenditures $ 12,255,821 $ 12,873,418

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.

TOTAL EXPENDITURES $ 12,255,821 $ 12,873,418

MEANS OF FINANCE:
State General Fund by:
Interagency Transfers $ 5,675,334 $ 4,920,576
Fees & Self-generated Revenues $ 6,580,487 $ 7,952,842

TOTAL MEANS OF FINANCING $ 12,255,821 $ 12,873,418

21-829 OFFICE OF AIRCRAFT SERVICES

EXPENDITURES:
Flight Maintenance - Authorized Positions (3) (4) Expenditures $ 2,303,789 $ 2,324,065

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.

TOTAL EXPENDITURES $ 2,303,789 $ 2,324,065

MEANS OF FINANCE:
State General Fund by:
Interagency Transfers $ 2,124,574 $ 2,144,850
Fees & Self-generated Revenues $ 179,215 $ 179,215

TOTAL MEANS OF FINANCING $ 2,303,789 $ 2,324,065

21-860 ENVIRONMENTAL STATE REVOLVING LOAN FUNDS

EXPENDITURES:
Environmental State Revolving Loan Funds $ 125,350,000 $ 125,350,000
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. The Brownfields Cleanup Revolving Loan Fund strives to uphold Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Section 104(k) to protect the health and welfare of the citizens of the state, as well as to enhance the environment of the state by administering the Brownfields Cleanup Revolving Loan Fund.

TOTAL EXPENDITURES $ 125,350,000 $ 125,350,000

MEANS OF FINANCE:

State General Fund by:

Statutory DedICATIONS:

Clean Water State Revolving Fund $ 125,000,000 $ 125,000,000

Brownfields Cleanup Revolving Loan Fund $ 350,000 $ 350,000

TOTAL MEANS OF FINANCING $ 125,350,000 $ 125,350,000

Payable out of the State General Fund by

Statutory Dedication out of the Matching Funds

Fund to the Environmental State Revolving Loan

Funds Program to use as state match for the Clean Water State Revolving Fund allocations found in the federal Infrastructure Investment and Jobs Act, in the event that House Bill No. 406 of the 2022 Regular Session of the Legislature is enacted into law $ 4,256,600

Payable out of Federal Funds to the Environmental State Revolving Loan Funds Program for municipalities to improve storm water management to address sewer overflows and reduce pollution $ 1,169,000

21-861 DRINKING WATER REVOLVING LOAN FUND

EXPENDITURES:

Drinking Water Revolving Loan Fund $ 47,988,458 $ 47,988,458

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 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.

TOTAL EXPENDITURES $ 47,988,458 $ 47,988,458

MEANS OF FINANCE:

State General Fund by:

Statutory Dedication:

Drinking Water Revolving Loan Fund $ 47,988,458 $ 47,988,458

TOTAL MEANS OF FINANCING $ 47,988,458 $ 47,988,458
Payable out of the State General Fund by Statutory
Dedications out of the Matching Funds Fund to the
Drinking Water Revolving Loan Fund Program to
use as state match for the Drinking Water Revolving
Loan Fund allocations found in the federal
Infrastructure Investment and Jobs Act, in the event
that House Bill No. 406 of the 2022 Regular Session
of the Legislature is enacted into law $ 2,693,000

Section 10. This Act shall become effective on July 1, 2022.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: ____________________