

2017 Regular Session

SENATE BILL NO. 100

BY SENATOR DONAHUE

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

FISCAL CONTROLS. Provides for the requirement of the division of administration to produce a standstill budget. (7/1/17)

1 AN ACT

2 To amend and reenact R.S. 39:29(A) and (B), 32(E)(3) and (7), and 36(B)(1)(c), (6), and (8)  
3 and to enact R.S. 39:2(40.1) and 29(C) and (D), relative to budgets; to provide for  
4 the budget office under the direction of the division of administration to produce a  
5 standstill budget; to define and describe the elements of the standstill budget; to  
6 provide for the utilization of the standstill budget in the executive budget contents;  
7 to provide for an effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 39:29(A) and (B), 32(E)(3) and (7), and 36(B)(1)(c), (6), and (8) are  
10 hereby amended and reenacted and R.S. 39:2(40.1) and 29(C) and (D) are hereby enacted  
11 to read as follows:

12 §2. Definitions

13 As used in this Chapter, except where the context clearly requires otherwise,  
14 the words and expressions defined in this Section shall be held to have the meanings  
15 here given to them.

16 \* \* \*

17 **(40.1) "Non-discretionary standstill budget" means the projected costs**

1 from all means of finance for a budget unit to carry out the non-discretionary  
 2 functions listed in R.S. 39:36, in the ensuing fiscal year which functions are  
 3 contained in the budget unit's current year initial operating budget. The non-  
 4 discretionary standstill budget shall incorporate growth for non-discretionary  
 5 expenditures required by law or administrative rule in the current fiscal year.  
 6 The non-discretionary standstill budget shall not contain estimates of  
 7 discretionary expenditures.

8 \* \* \*

9 §29. Budget guidelines

10 A.(1) On or before the twentieth day of September of each year, the budget  
 11 office shall furnish to each budget unit a set of specific guidelines under which the  
 12 budget unit shall provide information to allow the budget office to ~~establish~~ **prepare**  
 13 **a non-discretionary standstill budget and** a continuation budget.

14 (2) The **non-discretionary standstill budget and the** continuation budget  
 15 shall **each** be prepared by the budget office and submitted to the Joint Legislative  
 16 Committee on the Budget at the first meeting of the Joint Legislative Committee on  
 17 the Budget after January first of each year.

18 ~~B.(3)~~ These guidelines shall reflect the most recent economic statistics  
 19 available in regard to inflation, employment, population, and other socioeconomic  
 20 factors.

21 **B.(1) A budget unit shall submit its non-discretionary standstill budget**  
 22 **estimate for the ensuing year in accordance with annual instructions to be**  
 23 **provided by the division of administration. The format of the instructions shall**  
 24 **be prepared by the division of administration working in conjunction with**  
 25 **Senate fiscal staff, House of Representatives fiscal staff, and a representative**  
 26 **from the legislative fiscal office. The annual instructions shall contain the non-**  
 27 **discretionary functions in the initial operating budget for each budget unit for**  
 28 **the current fiscal year. The division of administration shall send the instructions**  
 29 **for the non-discretionary standstill budget estimates at the same time as the**

1 instructions are sent to the agencies for the annual budget request submission.

2 (2) Each agency is directed to include in the non-discretionary standstill  
3 budget estimate all non-discretionary requirements.

4 (3) The commissioner of administration shall establish a date for  
5 submission of the non-discretionary budget estimates, which date shall afford  
6 the commissioner of administration sufficient time to prepare the  
7 non-discretionary standstill budget for inclusion in the continuation budget  
8 document. The non-discretionary standstill budget estimates shall be on the  
9 forms and in the manner prescribed in this Section and shall be accompanied  
10 by such other data as may be required, together with such additional  
11 information as the governor may request.

12 (4) Upon receipt of the budget unit's non-discretionary standstill budget  
13 estimates, the division of administration shall review the estimates for  
14 reasonableness and shall combine the agency estimates with the mandatory  
15 statewide standard adjustments provided for in the continuation budget, which  
16 shall constitute the non-discretionary standstill budget for the ensuing fiscal  
17 year.

18 C. The non-discretionary standstill budget shall be derived and based  
19 upon the assumption that the current law and current administrative  
20 procedures will remain in effect for the forecast period.

21 D. The non-discretionary standstill budget and the continuation budget  
22 shall be contained in one document and shall be in a format which compares the  
23 budgets by budget unit, on the same page. The non-discretionary standstill  
24 budget shall be presented at the same meeting of the Joint Legislative  
25 Committee on the Budget as the continuation budget as provided in Paragraph  
26 (A)(2) of this Section.

27 \* \* \*

28 §32. Budget request contents

29 \* \* \*

1 E. A personnel table as defined by this Subsection shall be included with the  
 2 budget request. The table shall contain information and be in a form as required by  
 3 the budget office and shall include authorized, estimated, and requested positions  
 4 organized according to programs or subprograms as follows:

5 \* \* \*

6 (3) The number of positions estimated for the **non-discretionary standstill**  
 7 **budget and the** continuation budget for the next fiscal year and the number  
 8 classified and unclassified.

9 \* \* \*

10 (7) The estimated amount for salaries continuing for the positions estimated  
 11 for the **non-discretionary standstill budget and the** continuation budget for the  
 12 next fiscal year.

13 \* \* \*

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

15 \* \* \*

16 B. The budget office shall prepare a document known as the supporting  
 17 document which shall be in conformity with the executive budget and shall include,  
 18 at a minimum, the following:

19 (1) For each program, budget unit, and department, itemized by source of  
 20 funds, expenditure category, and activity, detailed comparative statements of:

21 \* \* \*

22 (c) The **non-discretionary standstill budget and the** continuation budget,  
 23 and recommended expenditures for the ensuing fiscal year.

24 \* \* \*

25 (6) For each agency's programmatic structure, the performance indicators  
 26 that are intended to accomplish each objective of a program for the initial operating  
 27 budget, existing operating budget, the **non-discretionary standstill budget, the**  
 28 continuation budget, and recommended expenditures for the ensuing fiscal year and  
 29 the performance standard associated with each. Such performance indicators,

1 objectives, and standards shall be as the commissioner of administration may deem  
2 appropriate.

3 \* \* \*

4 (8) For each program, a listing of expenditures for the last fiscal year  
5 concluded, the initial operating budget, existing operating budget, the  
6 **non-discretionary standstill budget, the** continuation budget, and recommended  
7 expenditures for the ensuing fiscal year out of each statutorily dedicated fund.

8 \* \* \*

9 Section 2. This Act shall become effective on July 1, 2017; if vetoed by the governor  
10 and subsequently approved by the legislature, this Act shall become effective on July 1,  
11 2017, or on the day following such approval by the legislature, whichever is later.

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The original instrument was prepared by Benjamin A. Huxen, II. The following digest, which does not constitute a part of the legislative instrument, was prepared by Martha Hess.

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#### DIGEST

SB 100 Engrossed

2017 Regular Session

Donahue

Present law provides that the budget office under the direction of the division of administration shall furnish each budget unit a set of guidelines to allow the office to establish a continuation budget. The continuation budget is defined as that funding level for each budget unit which reflects the financial resources necessary to carry on all existing programs and functions of the budget unit at their current level of service in the ensuing fiscal year.

Proposed law retains present law and requires the budget office to also prepare a non-discretionary standstill budget as well as a continuation budget. Additionally, both budgets shall be submitted to the Joint Legislative Committee on the Budget at the first meeting in January of each year.

Proposed law provides that upon receipt of a budget unit's non-discretionary standstill budget estimate, the division of administration shall review the estimates for reasonableness and then combine the agency estimates with the mandatory statewide standard adjustments, which shall constitute the non-discretionary standstill budget for the ensuing fiscal year.

Proposed law provides that the non-discretionary standstill budget shall be based upon the assumption that current law and administrative rules shall remain in effect for the estimate year.

Proposed law requires the non-discretionary standstill budget and the continuation budget to be contained in the same document.

Proposed law further requires that the non-discretionary standstill budget shall be presented at the same meeting of the Joint Legislative Committee on the Budget as the continuation budget.

Effective July 1, 2017.

(Amends R.S. 39:29(A) and (B), 32(E)(3) and (7), and 36(B)(1)(c), (6), and (8); adds R.S. 39:2(40.1) and 29(C) and (D))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill

1. Limits the standstill budget to non-discretionary expenditures, and defines non-discretionary standstill budget.
2. Provides that the format of the instructions sent to state agencies shall be prepared by the commissioner of administration in conjunction with Senate fiscal staff, House of Representatives fiscal staff, and a representative of the legislative fiscal office.
3. Revises procedures for the implementation of the non-discretionary standstill budget, its contents and format, and the timeframes for state agencies to submit estimates of the non-discretionary costs.
4. Provides that upon receipt of a budget unit's non-discretionary standstill budget estimate, the division of administration shall review the estimates for reasonableness and then combine the agency estimates with the mandatory statewide standard adjustments, which shall constitute the non-discretionary standstill budget for the ensuing fiscal year.
5. Provides that the non-discretionary standstill budget shall be based upon the assumption that current law and administrative rules shall remain in effect for the estimate year.
6. Requires the non-discretionary standstill budget and the continuation budget to be contained in the same document.