

Commission on Streamlining Government

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NOTICE OF MEETING

November 18, 2009

9:00 a.m.

Room A-B

AGENDA

I. CALL TO ORDER

II. ROLL CALL

III. RECEIVE ADVISORY GROUP RECOMMENDATIONS

IV. RECEIVE COMMISSION MEMBER RECOMMENDATIONS

V. DISCUSSION - SPECIAL ORDER

AGEB #34A All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The application for approval of the Joint Committee shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Budget Committee does not approve the contract.

VI. DISCUSSION - PROGRAMS and LEASING OF BUILDINGS

VII. CONSIDERATION OF ADVISORY GROUP RECOMMENDATIONS

Outsourcing, Privatization & Risk Management:

- AGOPRM #37** Reduce the number of Department of Transportation and Development districts by at least two districts.
- AGOPRM #38** Department of Transportation and Development outsource all testing labs to private labs outfitted to perform all testing.
- AGOPRM #39** Department of Transportation and Development outsource maintenance operations to the private sector and sell production equipment not used except for emergency equipment.
- AGOPRM #40** Department of Transportation and Development employ the fleet management program to eliminate 20% of its cars and pickup trucks.
- AGOPRM #42** Department of Transportation and Development outsource at least 80% of its design engineering to the private sector, with emphasis on the large jobs. The 20% of design engineering retained would involve small bridge and turning lane jobs.
- AGOPRM #43** Department of Transportation and Development reduce work-related accidents by 50%, from a total of 7% to 3.5%.
- AGOPRM #46** Department of Transportation and Development approve more projects for value engineering.

VIII. CONSIDERATION OF MEMBER RECOMMENDATIONS

IX. ADVISORY GROUP RECOMMENDATIONS HELD OVER

Efficiency and Benchmarking:

- AGEB #10** To direct state government to reduce the number of state government positions by at least 5,000 positions for each year of the next three years pro-rata by department through vacancies and attrition and without reducing the quality of products or services. Department heads are directed in their reorganization efforts to study and take into account layers of management, spans of control, clerical staffing levels, unit consolidation, process re-engineering restructuring, retraining for enhanced skills and headquarters staffing reductions. Department heads should increase productivity by providing training opportunities for employees who wish to learn new skills or improve old skills. To use twenty percent of the savings to increase compensation for employees taking on additional responsibilities.

- AGEB #20** If the existing but currently unoccupied "Big Charity Hospital" building is rehabilitated (instead of being rebuilt on a new site), and used as a public teaching hospital, \$50 million of the projected savings achieved by rehabilitating the hospital will be used to recruit health care professionals and researchers to the hospital and the schools affiliated with it in order to establish a world class academic research and medical center.
- AGEB #21** To provide, by statute, for a Louisiana spending limit identical to the Oregon spending limit, known as the Oregon kicker law, with the exception that, under the Louisiana spending limit, excess revenues would first be deposited into the Louisiana Budget Stabilization Fund (the Rainy Day Fund) until that fund reaches its cap before any rebates are returned to individual or corporate taxpayers. The spending limit shall be cancelled or overridden in a particular year only by a two-thirds vote of the Louisiana Legislature, which shall be subject to veto by the governor.
- AGEB #28** The Department of Natural Resources field audit program for royalties be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Department of Natural Resources to perform this service by appropriated annually to the Department of Revenue to perform the service.
- AGEB #40** The Louisiana Department of Health and Hospitals be directed to bid out Louisiana's Medicaid Program to a private health insurance company with the amount to be paid by the state capped at \$4,000 per insured. If a private insurer agreed to insure all 1.23 Louisiana Medicaid recipients for an annual premium of \$4,000 per insured, Louisiana taxpayers would save \$539 million in health care costs and \$252 million in administrative costs. The Commission further urges Louisiana's Congressional Delegation to encourage the United States Department of Health and Human Services to give its consent to Louisiana to take this action within six months.
- AGEB #41** The Louisiana Streamlining Government Commission recommends to the governor and the Louisiana Legislature that the Louisiana Department of Health and Hospitals roll back the Medicaid transportation program provider rates to the 2006 level, for a savings of \$13 million.

Elimination of Duplicative and Non-Essential Services:

- AGDNES #8A** Department of Transportation and Development further study reduction of back office functions and the number of DOTD project engineer offices. Review should also be taken regarding the elimination or consolidation of DOTD district offices.
- AGDNES #30** Department of Health and Hospitals to continue implementation plan to sell and/or lease the John J. Hainkel Home and Rehabilitation Center.

Civil Service and Employee Benefits:

- AGCS #2** The Department of Natural Resources should integrate audit functions with the Department of Revenue where possible.
- AGCS #7** Increase the employee share of Group Benefits premium from the current level of 25% to 40% for the 2011 and 2012 fiscal years; reduce premium share to 35% for FY 2013, to 30% for FY 2014, and back to 25% for FY 2015 and thereafter.
- AGCS #23** The Office of Coastal Protection and Restoration should provide programs for carbon and water credits and apply the revenue raised to the cost of project development and implementation within the agency.

X. MEMBER RECOMMENDATIONS HELD OVER

- Donahue #2** That certain government services and processes be identified as activities to be funded in whole or in part through "full cost recovery" of expenses by the user or customer; that the criteria for setting the amount of cost recovery be established in consultation with the Society of Louisiana Certified Public Accountants; and that the data and information used, as well as the process employed to calculate the specific charge, and any audits thereof, be displayed on the department's or agency's website..

XI. PUBLIC COMMENTS

XII. OTHER BUSINESS

XIII. ADJOURNMENT

THIS NOTICE CONTAINS A TENTATIVE AGENDA AND MAY BE REVISED PRIOR TO THE MEETING.

Senator Jack Donahue, *Commission Chairman*