SLS 17RS-193 **REENGROSSED**

2017 Regular Session

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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 non-discretionary adjusted standstill budget. (7/1/17)

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	non-discretionary adjusted standstill budget; to define and describe the elements of
6	the non-discretionary adjusted standstill budget; to provide for the utilization of the
7	non-discretionary adjusted standstill budget in the executive budget contents; to
8	provide for an effective date; and to provide for related matters.
9	Be it enacted by the Legislature of Louisiana:
10	Section 1. R.S. 39:29(A) and (B), 32(E)(3) and (7), and 36(B)(1)(c), (6), and (8) are
11	hereby amended and reenacted and R.S. 39:2(40.1) and 29(C) and (D) are hereby enacted
12	to read as follows:
13	§2. Definitions
14	As used in this Chapter, except where the context clearly requires otherwise,
15	the words and expressions defined in this Section shall be held to have the meanings
16	here given to them.

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2	shall contain the following:
3	(a) The budget unit's current year existing operating budget as of
4	December first.
5	(b) Non-discretionary expenditures including the costs to provide such
6	expenditures in the ensuing fiscal year.
7	(c) The mandatory statewide adjustments provided for in R.S. 39:29 for
8	the ensuing fiscal year.
9	(d) Discretionary expenditures at the existing operating budget level as
10	of December first for the current fiscal year without growth.
11	(e) Adjustments for the elimination of non-recurring expenditures. In the
12	event mid-year reductions occur after December first, an addendum to the non-
13	discretionary adjusted standstill budget shall be submitted with the governor's
14	executive budget. The non-discretionary adjusted standstill budget shall
15	incorporate growth for non-discretionary expenditures required by law or
16	administrative rule in the current fiscal year.
17	* * *
18	§29. Budget guidelines
19	A.(1) On or before the twentieth day of September of each year, the budget
20	office shall furnish to each budget unit a set of specific guidelines under which the
21	budget unit shall provide information to allow the budget office to establish prepare
22	a non-discretionary adjusted standstill budget and a continuation budget.
23	(2) The non-discretionary adjusted standstill budget and the continuation
24	budget shall each be prepared by the budget office and submitted to the Joint
25	Legislative Committee on the Budget at the first meeting of the Joint Legislative
26	Committee on the Budget after January first of each year.
27	B.(3) These guidelines shall reflect the most recent economic statistics
28	available in regard to inflation, employment, population, and other socioeconomic
29	factors.

(40.1) "Non-discretionary adjusted standstill budget" shall mean and

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B.(1) A budget unit shall submit its non-discretionary adjusted standstill
budget estimate for the ensuing year in accordance with annual instructions to
be provided by the division of administration. The format of the instructions
shall be prepared by the division of administration working in conjunction with
Senate fiscal staff, House of Representatives fiscal staff, and a representative
from the legislative fiscal office. The annual instructions shall contain the non-
discretionary functions in the existing operating budget for each budget unit as
of December first of the current fiscal year. The division of administration shall
send the instructions for the non-discretionary adjusted standstill budget
estimates at the same time as the instructions are sent to the agencies for the
annual budget request submission.

- (2) Each agency is directed to include in the non-discretionary adjusted standstill budget estimate all non-discretionary requirements.
- (3) The commissioner of administration shall establish a date for submission of the non-discretionary adjusted standstill budget estimates, which date shall afford the commissioner of administration sufficient time to prepare the non-discretionary adjusted standstill budget for inclusion in the continuation budget document. The non-discretionary adjusted standstill budget estimates shall be on the forms and in the manner prescribed in this Section and shall be accompanied by such other data as may be required, together with such additional information as the governor may request.
- (4) Upon receipt of the budget unit's non-discretionary adjusted standstill budget estimates, the division of administration shall review the estimates for reasonableness and shall combine the agency estimates with the mandatory statewide standard adjustments provided for in the continuation budget, which shall constitute the non-discretionary adjusted standstill budget for the ensuing fiscal year.
- C. The non-discretionary adjusted standstill budget shall be derived and based upon the assumption that the current law and current administrative

1	procedures will remain in effect for the forecast period.
2	D. The non-discretionary adjusted standstill budget and the continuation
3	budget shall be contained in one document and shall be in a format which
4	compares the budgets by budget unit, on the same page. For purposes of this
5	Section, there shall be no less than four columns in this document:
6	(1) The first column shall represent the budget unit's current year
7	existing operating budget as of December first.
8	(2) The second column shall represent the non-discretionary adjusted
9	standstill budget which shall be the budget unit's current year existing
10	operating budget as of December first, including the cost to provide the
11	mandatory expenditures in the ensuing fiscal year, and the growth in the
12	mandatory statewide adjustments.
13	(3) The third column shall be the continuation budget as provided for in
14	this Section.
15	(4) The fourth column shall represent the difference between the non-
16	discretionary adjusted standstill budget and the continuation budget. The non-
17	discretionary adjusted standstill budget shall be presented at the same meeting
18	of the Joint Legislative Committee on the Budget as the continuation budget as
19	provided in Paragraph (A)(2) of this Section.
20	* * *
21	§32. Budget request contents
22	* * *
23	E. A personnel table as defined by this Subsection shall be included with the
24	budget request. The table shall contain information and be in a form as required by
25	the budget office and shall include authorized, estimated, and requested positions
26	organized according to programs or subprograms as follows:
27	* * *
28	(3) The number of positions estimated for the non-discretionary adjusted
29	standstill budget and the continuation budget for the next fiscal year and the

1 number classified and unclassified. 2 3 (7) The estimated amount for salaries continuing for the positions estimated for the non-discretionary adjusted standstill budget and the continuation budget 4 5 for the next fiscal year. 6 Section 2. This Act shall become effective on July 1, 2017; if vetoed by the governor 7 8 and subsequently approved by the legislature, this Act shall become effective on July 1, 9 2017, or on the day following such approval by the legislature, whichever is later.

> 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 Ann S. Brown.

DIGEST

SB 100 Reengrossed

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 adjusted 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 adjusted 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 adjusted standstill budget for the ensuing fiscal year.

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

Proposed law further requires that the non-discretionary adjusted 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); adds R.S. 39:2(40.1) and 29(C) and (D))

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Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

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.

Senate Floor Amendments to engrossed bill

- 1. Names and defines the new budget format as the "non-discretionary adjusted standstill budget".
- 2. Provides instructions on the type of information to be included in the document containing the non-discretionary adjusted standstill budget and the continuation budget information.