

2015 Regular Session

HOUSE BILL NO. 663

BY REPRESENTATIVE FANNIN

AN ACT

1 To provide for the establishment and reestablishment of agency ancillary funds, to be
2 specifically known as internal service funds, auxiliary accounts, or enterprise funds
3 for certain state institutions, officials, and agencies; to provide for appropriation of
4 funds; and to regulate the administration of said funds.

5 Be it enacted by the Legislature of Louisiana:

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

12 In the conduct of each such business, receipts shall be deposited in the state treasury
13 and disbursements made by the state treasurer to the extent of the amount deposited to the
14 credit of each ancillary fund, for the Fiscal Year 2015-2016. All funds appropriated herein
15 shall be expended in compliance with the public bid laws of the state.

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

19 B. Funds on deposit with the state treasury at the close of the fiscal year are
20 authorized to be transferred to each fund respectively, as equity for Fiscal Year 2016-2017.

21 All unexpended cash balances as of June 30, 2016, shall be remitted to the state
22 treasurer on or before August 14, 2016. If not reestablished in the subsequent year's Act, the
23 agency must liquidate all assets and return all advances no later than August 14, 2016.

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

1 Section 3. All money from federal, interagency transfers, statutory dedications, or
2 fees and self generated revenues shall be available for expenditure in the amounts herein
3 appropriated.

4 Any increase in such revenues shall be available for allotment and expenditure by
5 an agency on approval of an increase in the appropriation by the commissioner of
6 administration and the Joint Legislative Committee on the Budget. Any increase in such
7 revenues for an agency without an appropriation from the respective revenue source shall
8 be incorporated into the agency's appropriation on approval of the commissioner of
9 administration and the Joint Legislative Committee on the Budget.

10 Section 4.A. The figures in parentheses following the designation of a budget entity
11 are the total authorized positions and authorized other charges positions for that entity,
12 number of employees approved for each agency, as a result of the passage of this Act, may
13 be increased by the commissioner of administration when sufficient documentation is
14 presented and the request is deemed valid. However, any request which exceeds five
15 positions shall be approved by the commissioner of administration and the Joint Legislative
16 Committee on the Budget.

17 B. The budget request of any agency with an appropriation level of thirty million
18 dollars or more shall include within its existing table of organization positions which
19 perform the function of internal auditing, including the position of a chief audit executive.
20 The chief audit executive shall be responsible for ensuring that the internal audit function
21 adheres to the Institute of Internal Auditors, International Standards for the Professional
22 Practice of Internal Auditing. The chief audit executive shall maintain organizational
23 independence in accordance with these standards and shall have direct and unrestricted
24 access to the commission, board, secretary, or equivalent head of the agency. The chief
25 audit executive shall certify to the commission, board, secretary, or equivalent head of the
26 agency that the internal audit function conforms to the Institute of Internal Auditors,
27 International Standards for the Professional Practice of Internal Auditing.

28 Section 5. The following definition is provided for the terms of this Act: "Working
29 Capital" shall be considered the excess of current assets over current liabilities on an accrual
30 basis.

1 Section 6. Should any section, subsection, clause, sentence, phrase, or part of the Act
 2 for any reason be held, deemed, or construed to be unconstitutional or invalid, such decisions
 3 shall not affect the remaining provisions of the Act, and the legislature hereby declares that
 4 it would have passed the Act, and each section, subsection, clause, sentence, phrase, or part
 5 thereof, irrespective of the fact that one or more of the sections, subsections, clauses,
 6 sentences, phrases, or parts thereof, is declared unconstitutional or invalid. To this end, the
 7 provisions of this Act are hereby declared severable.

8 Section 7. Internal Service Funds. These funds account for the financing of goods
 9 or services provided by one department or agency to other departments or agencies of the
 10 governmental unit, or to other governmental units, on a cost-reimbursement basis. Excess
 11 cash funds, excluding cash funds arising from working capital advances, shall be invested
 12 by the state treasurer with the interest proceeds there from credited to each account and shall
 13 not be transferred to the state general fund.

14 Section 8. In conjunction with the continuing assessment of the existing staff, assets,
 15 contracts, and facilities of each department, agency, program or budget unit's information
 16 technology resources, procurement resources, and human capital resources, upon completion
 17 of this assessment and to the extent optimization of these resources will result in the
 18 projected cost savings through staff reductions, realization of operational efficiencies, cost
 19 avoidance, and elimination of asset duplication, the commissioner of administration is
 20 authorized to transfer the functions, positions, assets, and funds from any other department,
 21 agency, program, or budget units related to these optimizations to a different department.
 22 The provisions of this Section shall not apply to the Department of Culture, Recreation and
 23 Tourism, or any agency contained in Schedule 04, Elected Officials, of the General
 24 Appropriation Act.

SCHEDULE 21

ANCILLARY APPROPRIATIONS

21-800 OFFICE OF GROUP BENEFITS

EXPENDITURES:

State Group Benefits - Authorized Positions (42)	<u>\$ 1,461,073,794</u>
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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.*

TOTAL EXPENDITURES	<u>\$1,461,073,794</u>
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1 MEANS OF FINANCE:

2 State General Fund by:

3 Interagency Transfers \$ 198,733
 4 Fees & Self-generated Revenues \$1,460,875,061

5 TOTAL MEANS OF FINANCING \$1,461,073,794

6 **21-804 OFFICE OF RISK MANAGEMENT**

7 EXPENDITURES:

8 Risk Management - Authorized Positions (37) \$ 187,560,093

9 **Program Description:** *Provides for the overall executive leadership and*
 10 *management of the office, support services, policy analysis, management direction*
 11 *of the state's self-insurance program; provides funding for the payment of losses on*
 12 *medical, malpractice, property, comprehensive general liability, personal injury,*
 13 *automobile liability, automobile physical damage, bonds, crime, aviation, wet*
 14 *marine boiler and machinery and miscellaneous tort claims; provides funding for*
 15 *the payment of contracts issued for professional legal defense of claims made*
 16 *against the state; provides funding for the reimbursement of the Division of Risk*
 17 *Litigation in the Office of the Attorney General for costs incurred for professional*
 18 *legal defense of claims made against the state.*

19 TOTAL EXPENDITURES \$ 187,560,093

20 MEANS OF FINANCE:

21 State General Fund by:

22 Interagency Transfers \$ 169,765,781
 23 Fees & Self-generated Revenues \$ 15,794,312
 24 Statutory Dedications:
 25 Future Medical Care Fund \$ 2,000,000

26 TOTAL MEANS OF FINANCING \$ 187,560,093

27 Payable out of the State General Fund by
 28 Interagency Transfers to the Risk Management
 29 Program for salaries and related benefits \$ 187,794

30 **21-806 LOUISIANA PROPERTY ASSISTANCE**

31 EXPENDITURES:

32 Louisiana Property Assistance - Authorized Positions (39) \$ 5,981,970

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

36 TOTAL EXPENDITURES \$ 5,981,970

37 MEANS OF FINANCE:

38 State General Fund by:

39 Interagency Transfers \$ 1,062,661
 40 Fees & Self-generated Revenues \$ 4,919,309

41 TOTAL MEANS OF FINANCING \$ 5,981,970

42 **21-807 LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY**

43 EXPENDITURES:

44 Federal Property Assistance - Authorized Positions (9) \$ 3,180,338

45 **Program Description:** *Seeks to assure the fair and equitable distribution of*
 46 *federal property allocated to Louisiana by the General Services Administration to*
 47 *eligible Louisiana donees.*

48 TOTAL EXPENDITURES \$ 3,180,338

1	MEANS OF FINANCE:	
2	State General Fund by:	
3	Interagency Transfers	\$ 234,342
4	Fees & Self-generated Revenues	<u>\$ 2,945,996</u>
5		
	TOTAL MEANS OF FINANCING	<u>\$ 3,180,338</u>

21-811 PRISON ENTERPRISES

7	EXPENDITURES:	
8	Prison Enterprises - Authorized Positions (72)	<u>\$ 34,579,048</u>
9	Program Description: <i>Utilizes the resources of the Department of Public Safety</i>	
10	<i>and Corrections in the production of food, fiber, and other necessary items used by</i>	
11	<i>offenders in order to lower the cost of incarceration; provides products and</i>	
12	<i>services to state agencies and agencies of parishes, municipalities, and other</i>	
13	<i>political subdivisions; and provides work opportunities for offenders. Prison</i>	
14	<i>Enterprises conducts both industry operations and agriculture operations.</i>	
15		
	TOTAL EXPENDITURES	<u>\$ 34,579,048</u>

16	MEANS OF FINANCE:	
17	State General Fund by:	
18	Interagency Transfers	\$ 23,542,188
19	Fees & Self-generated Revenues	<u>\$ 11,036,860</u>
20		
	TOTAL MEANS OF FINANCING	<u>\$ 34,579,048</u>

21-815 OFFICE OF TECHNOLOGY SERVICES

22	EXPENDITURES:	
23	Office of Technology Services - Authorized Positions (750)	\$ 263,143,677
24	Authorized Other Charges Positions (9)	
25	Program Description: <i>Provides for cost-effective technology services that satisfy</i>	
26	<i>the needs of approved governmental units of the State of Louisiana.</i>	
27		
28	Office of Administrative Services - Authorized Positions (19)	\$ 6,543,824
29	Program Description: <i>Provides cost-effective design, printing, warehousing and</i>	
	<i>presorting services to agencies within state government.</i>	
30		
31	Office of Telecommunications - Authorized Positions (68)	<u>\$ 46,257,205</u>
32	Program Description: <i>Provides for cost-effective telecommunications services</i>	
	<i>that satisfy the needs of approved governmental units of the State of Louisiana.</i>	
33		
	TOTAL EXPENDITURES	<u>\$ 315,944,706</u>

34	MEANS OF FINANCE:	
35	State General Fund by:	
36	Interagency Transfers	\$ 314,926,233
37	Fees & Self-generated Revenues	<u>\$ 1,018,473</u>
38		
	TOTAL MEANS OF FINANCING	<u>\$ 315,944,706</u>

21-816 DIVISION OF ADMINISTRATIVE LAW

40	EXPENDITURES:	
41	Administration - Authorized Positions (55)	<u>\$ 7,362,594</u>
42	Program Description: <i>Provides a neutral forum for handling administrative</i>	
43	<i>hearings for certain state agencies, with respect for the dignity of individuals and</i>	
44	<i>their due process rights.</i>	
45		
	TOTAL EXPENDITURES	<u>\$ 7,362,594</u>

1	MEANS OF FINANCE:	
2	State General Fund by:	
3	Interagency Transfers	\$ 7,333,697
4	Fees & Self-generated Revenues	\$ <u>28,897</u>
5		
	TOTAL MEANS OF FINANCING	\$ <u>7,362,594</u>

21-820 OFFICE OF STATE PROCUREMENT

7	EXPENDITURES:	
8	State Procurement - Authorized Positions (96)	\$ <u>9,060,756</u>
9	Program Description: <i>The mission of the Office of State Procurement is to</i>	
10	<i>provide cost-effective services that satisfy the needs of approved governmental units</i>	
11	<i>of the State of Louisiana through the management of products and services.</i>	
12		
	TOTAL EXPENDITURES	\$ <u>9,060,756</u>

13	MEANS OF FINANCE:	
14	State General Fund by:	
15	Interagency Transfers	\$ <u>9,060,756</u>
16		
17		
	TOTAL MEANS OF FINANCING	\$ <u>9,060,756</u>

18	Payable out of the State General Fund by	
19	Fees and Self-generated Revenues from	
20	customer support agencies statewide	\$ 439,266

21-821 OFFICE OF STATE HUMAN CAPITAL MANAGEMENT

22	EXPENDITURES:	
23	Human Capital Management - Authorized Positions (317)	\$ <u>24,993,755</u>
24	Program Description: <i>Provides for cost-effective Human Resource services that</i>	
25	<i>satisfy the needs of approved governmental units of the State of Louisiana.</i>	
26		
	TOTAL EXPENDITURES	\$ <u>24,993,755</u>

27	MEANS OF FINANCE:	
28	State General Fund by:	
29	Interagency Transfers	\$ <u>24,993,755</u>
30		
31		
	TOTAL MEANS OF FINANCING	\$ <u>24,993,755</u>

21-829 OFFICE OF AIRCRAFT SERVICES

33	EXPENDITURES:	
34	Flight Maintenance - Authorized Positions (3)	\$ <u>1,972,078</u>
35	Program Description: <i>The mission of the Office of Aircraft Services is to manage</i>	
36	<i>the overall maintenance and provide all needed and required support for safe,</i>	
37	<i>proper, and economic operation of the State's various aircraft. Flight Maintenance</i>	
38	<i>Operations ensures flight safety, maintains high safety standards while minimizing</i>	
39	<i>aircraft downtime for repairs, and provides high quality, efficient, and economical</i>	
40	<i>repair and fueling services for state-operated aircraft.</i>	

41		
	TOTAL EXPENDITURES	\$ <u>1,972,078</u>

42	MEANS OF FINANCE:	
43	State General Fund by:	
44	Interagency Transfers	\$ 1,912,310
45	Fees & Self-generated Revenues	\$ <u>59,768</u>
46		
	TOTAL MEANS OF FINANCING	\$ <u>1,972,078</u>

21-860 CLEAN WATER STATE REVOLVING FUND

EXPENDITURES:

Clean Water State Revolving Fund \$ 85,000,000

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.*

TOTAL EXPENDITURES \$ 85,000,000

MEANS OF FINANCE:

State General Fund by:

Statutory Dedications:

Clean Water State Revolving Fund \$ 85,000,000

TOTAL MEANS OF FINANCING \$ 85,000,000

21-861 SAFE DRINKING WATER REVOLVING LOAN FUND

EXPENDITURES:

Safe Drinking Water Revolving Loan Fund \$ 34,000,000

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 Safe 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 \$ 34,000,000

MEANS OF FINANCE:

State General Fund by:

Statutory Dedication:

Safe Drinking Water Revolving Loan Fund \$ 34,000,000

TOTAL MEANS OF FINANCING \$ 34,000,000

Section 9. This Act shall become effective on July 1, 2015.

COMPARATIVE STATEMENT

In accordance with R.S. 39:51(B), the following represents a comparative statement for each program, department and budget unit. The authorized positions and operating budget for FY 2014-2015 as of December 1, 2014, are compared to the appropriations for FY 2015-2016 as contained in the original bill. The commissioner of administration shall adjust the amounts shown to reflect final appropriations after enactment of this bill.

		EOB AS OF 12/01/2014	ORIGINAL APPROPRIATION
21A-ANCIL			
21-800	Office of Group Benefits		
State Group Benefits	Interagency Transfers	\$198,733	\$198,733
State Group Benefits	Fees & Self-generated Revenues	\$1,354,355,996	\$1,460,875,061
	Program Total:	\$1,354,554,729	\$1,461,073,794

	Authorized Positions:	74	42
	Authorized Other Charges		
	Positions:	0	0
	Agency Total:	\$1,354,554,729	\$1,461,073,794
	Authorized Positions:	74	42
	Authorized Other Charges		
	Positions:	0	0
21-804	Office of Risk Management		
Risk Management	Interagency Transfers	\$9,232,712	\$169,765,781
Risk Management	Fees & Self-generated Revenues	\$0	\$15,794,312
Risk Management	Statutory Dedications	\$0	\$2,000,000
	Program Total:	\$9,232,712	\$187,560,093
	Authorized Positions:	39	37
	Authorized Other Charges		
	Positions:	0	0
Claims Losses and Related Payments	Interagency Transfers	\$166,621,496	\$0
Claims Losses and Related Payments	Fees & Self-generated Revenues	\$5,510,359	\$0
Claims Losses and Related Payments	Statutory Dedications	\$2,000,000	\$0
	Program Total:	\$174,131,855	\$0
	Authorized Positions:	0	0
	Authorized Other Charges		
	Positions:	0	0
Contract Litigation	Interagency Transfers	\$13,062,034	\$0
Contract Litigation	Fees & Self-generated Revenues	\$1,937,966	\$0
	Program Total:	\$15,000,000	\$0
	Authorized Positions:	0	0
	Authorized Other Charges		
	Positions:	0	0
Division of Risk Litigation	Interagency Transfers	\$9,720,931	\$0
Division of Risk Litigation	Fees & Self-generated Revenues	\$8,345,987	\$0
	Program Total:	\$18,066,918	\$0
	Authorized Positions:	0	0
	Authorized Other Charges		
	Positions:	0	0
	Agency Total:	\$216,431,485	\$187,560,093
	Authorized Positions:	39	37
	Authorized Other Charges		
	Positions:	0	0
21-805	Admin Services		
Administrative Services	Interagency Transfers	\$6,735,489	\$0
Administrative Services	Fees & Self-generated Revenues	\$150,000	\$0
	Program Total:	\$6,885,489	\$0
	Authorized Positions:	20	0
	Authorized Other Charges		
	Positions:	0	0
	Agency Total:	\$6,885,489	\$0
	Authorized Positions:	20	0
	Authorized Other Charges		
	Positions:	0	0

21-806	Louisiana Property Assistance Agency		
Louisiana Property Assistance Program	Interagency Transfers	\$1,062,661	\$1,062,661
Louisiana Property Assistance Program	Fees & Self-generated Revenues	\$5,126,435	\$4,919,309
	Program Total:	\$6,189,096	\$5,981,970
	Authorized Positions:	39	39
	Authorized Other Charges Positions:	0	0
	Agency Total:	\$6,189,096	\$5,981,970
	Authorized Positions:	39	39
	Authorized Other Charges Positions:	0	0
21-807	Louisiana Federal Property Assistance Agency		
Federal Property Assistance	Interagency Transfers	\$267,727	\$234,342
Federal Property Assistance	Fees & Self-generated Revenues	\$2,990,443	\$2,945,996
	Program Total:	\$3,258,170	\$3,180,338
	Authorized Positions:	9	9
	Authorized Other Charges Positions:	0	0
	Agency Total:	\$3,258,170	\$3,180,338
	Authorized Positions:	9	9
	Authorized Other Charges Positions:	0	0
21-808	OTM		
Telecommunications Management	Interagency Transfers	\$46,736,093	\$0
Telecommunications Management	Fees & Self-generated Revenues	\$1,223,410	\$0
	Program Total:	\$47,959,503	\$0
	Authorized Positions:	68	0
	Authorized Other Charges Positions:	0	0
	Agency Total:	\$47,959,503	\$0
	Authorized Positions:	68	0
	Authorized Other Charges Positions:	0	0
21-811	Prison Enterprises		
Prison Enterprises	Interagency Transfers	\$24,099,995	\$23,542,188
Prison Enterprises	Fees & Self-generated Revenues	\$10,839,676	\$11,036,860
	Program Total:	\$34,939,671	\$34,579,048
	Authorized Positions:	72	72
	Authorized Other Charges Positions:	0	0
	Agency Total:	\$34,939,671	\$34,579,048
	Authorized Positions:	72	72
	Authorized Other Charges Positions:	0	0
21-815	Office of Technology Services		
Office of Technology Services	Interagency Transfers	\$282,934,440	\$264,092,141
Office of Technology Services	Fees & Self-generated Revenues	\$25,000	\$25,000

		Program Total:	\$282,959,440	\$264,117,141
		Authorized Positions:	729	730
		Authorized Other Charges		
		Positions:	9	9
Office of Administrative Services	Tr Interagency ansfers		\$0	\$6,393,824
Office of Administrative Services	Fees & Self-generated Revenues		\$0	\$150,000
		Program Total:	\$0	\$6,543,824
		Authorized Positions:	0	19
		Authorized Other Charges		
		Positions:	0	0
Office of Telecommunication Management	Interagency Transfers		\$0	\$45,413,732
Office of Telecommunication Management	Fees & Self-generated Revenues		\$0	\$843,473
		Program Total:	\$0	\$46,257,205
		Authorized Positions:	0	68
		Authorized Other Charges		
		Positions:	0	0
		Agency Total:	\$282,959,440	\$316,918,170
		Authorized Positions:	729	817
		Authorized Other Charges		
		Positions:	9	9
21-816	Division of Administrative Law			
Administration	Interagency Transfers		\$7,429,931	\$7,333,697
Administration	Fees & Self-generated Revenues		\$26,436	\$28,897
		Program Total:	\$7,456,367	\$7,362,594
		Authorized Positions:	55	55
		Authorized Other Charges		
		Positions:	0	0
		Agency Total:	\$7,456,367	\$7,362,594
		Authorized Positions:	55	55
		Authorized Other Charges		
		Positions:	0	0
21-820	State Procurement			
Office of State Procurement	Interagency Transfers		\$0	\$9,500,022
		Program Total:	\$0	\$9,500,022
		Authorized Positions:	0	101
		Authorized Other Charges		
		Positions:	0	0
		Agency Total:	\$0	\$9,500,022
		Authorized Positions:	0	101
		Authorized Other Charges		
		Positions:	0	0
21-821	Human Capital Mgt			
Office of State Human Capital Management	Interagency Transfers		\$0	\$24,993,755
		Program Total:	\$0	\$24,993,755
		Authorized Positions:	0	311
		Authorized Other Charges		
		Positions:	0	0

	Agency Total:	\$0	\$24,993,755
	Authorized Positions:	0	311
	Authorized Other Charges		
	Positions:	0	0
21-829	Office of Aircraft Services		
Flight Maintenance	Interagency Transfers	\$2,049,008	\$1,912,310
Flight Maintenance	Fees & Self-generated Revenues	\$59,768	\$59,768
	Program Total:	\$2,108,776	\$1,972,078
	Authorized Positions:	3	3
	Authorized Other Charges		
	Positions:	0	0
	Agency Total:	\$2,108,776	\$1,972,078
	Authorized Positions:	3	3
	Authorized Other Charges		
	Positions:	0	0
21-860	Clean Water State Revolving Fund		
Clean Water State Revolving Fund	Statutory Dedications	\$85,000,000	\$85,000,000
	Program Total:	\$85,000,000	\$85,000,000
	Authorized Positions:	0	0
	Authorized Other Charges		
	Positions:	0	0
	Agency Total:	\$85,000,000	\$85,000,000
	Authorized Positions:	0	0
	Authorized Other Charges		
	Positions:	0	0
21-861	Safe Drinking Water Revolving Loan Fund		
Safe Drinking Water Revolving Loan Fund	Statutory Dedications	\$34,000,000	\$34,000,000
	Program Total:	\$34,000,000	\$34,000,000
	Authorized Positions:	0	0
	Authorized Other Charges		
	Positions:	0	0
	Agency Total:	\$34,000,000	\$34,000,000
	Authorized Positions:	0	0
	Authorized Other Charges		
	Positions:	0	0

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____