

Regular Session, 2014

HOUSE BILL NO. 142

BY REPRESENTATIVE RICHARD AND SENATORS THOMPSON AND WHITE

1 AN ACT

2 To amend and reenact R.S. 39:82(A), 352, and 1489 and to enact Subpart S of Part II-A of
3 Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, to be
4 comprised of R.S. 39:100.146, R.S. 39:1405.4(I), and Subpart G of Part I of Chapter
5 16 of Subtitle III of Title 39 of the Louisiana Revised Statutes of 1950, to be
6 comprised of R.S. 39:1493.11, relative to professional, personal, and consulting
7 services procurement; to require approval by the Joint Legislative Committee on the
8 Budget of certain professional, personal, and consulting service contracts; to provide
9 for the submission of periodic reports; to provide for exceptions; to provide for
10 certain determinations before contract approval; to establish the Higher Education
11 Financing Fund; to provide for the deposit, use, and investment of monies in the
12 fund; to prohibit expenditure of savings from contract reductions; to provide for an
13 annual report by the state treasurer of costs of issuance of indebtedness; to provide
14 for an effective date; and to provide for related matters.

15 Be it enacted by the Legislature of Louisiana:

16 Section 1. R.S. 39:82(A), 352, and 1489 are hereby amended and reenacted and
17 Subpart S of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes
18 of 1950, comprised of R.S. 39:100.146, and Subpart G of Part I of Chapter 16 of Subtitle III
19 of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:1493.11, are
20 hereby enacted to read as follows:

21 §82. Remission of cash balances to the state treasurer; authorized withdrawals of
22 state monies after the close of the fiscal year

23 A. All cash balances occurring from appropriations made by legislative act
24 or by the Interim Emergency Board regardless of date of passage to any state agency
25 for which no bona fide liability exists on the last day of each fiscal year shall be
26 remitted to the state treasurer by the fifteenth day following the last day of the fiscal

1 year. Any appropriations including those made by the Interim Emergency Board of
 2 the preceding fiscal year remaining at the end of the fiscal year against which bona
 3 fide liabilities existed as of the last day of the fiscal year may be withdrawn from the
 4 state treasury during the forty-five day period after the last day of the fiscal year only
 5 as such liabilities come due for payment. Prior to placing monies associated with
 6 such unexpended appropriations into the state general fund, the state treasurer shall
 7 transfer all cash balances identified and reported by the commissioner of
 8 administration as being from unexpended and unencumbered State General Fund
 9 (Direct) and Overcollections Fund appropriations for professional, personal, and
 10 consulting service contracts not approved by the Joint Legislative Committee on the
 11 Budget remaining at the end of each fiscal year for deposit in and credit to the Higher
 12 Education Financing Fund as are necessary to satisfy the requirements of R.S.
 13 39:100.146 and then shall make deposits to the Payments Towards the UAL Fund
 14 as are necessary to satisfy the requirements of R.S. 39:100.11.

* * *

SUBPART S. HIGHER EDUCATION FINANCING FUND

§100.146. Higher Education Financing Fund

18 A. There is hereby established in the state treasury, as a special fund, the
 19 Higher Education Financing Fund, hereinafter referred to as the "the fund".

20 B.(1) The state treasurer is directed to deposit into the fund an amount equal
 21 to cash balances identified and reported by the commissioner of administration as
 22 being from unexpended and unencumbered State General Fund (Direct) and
 23 Overcollections Fund appropriations for contracts not approved by the Joint
 24 Legislative Committee on the Budget for professional, personal, and consulting
 25 services under the jurisdiction of the office of contractual review available at the end
 26 of each fiscal year as are necessary to satisfy the requirements of R.S. 39:1493.11.
 27 The commissioner of administration, in consultation with the director of the office
 28 of contractual review, shall periodically determine the amount of monies
 29 appropriated for professional, personal, and consulting service contracts that remain

1 unexpended and unencumbered as a result of implementation of R.S. 39:1493.11.
2 Such determination shall take place quarterly in each fiscal year.

3 (2) All unexpended and unencumbered monies in the fund at the end of the
4 fiscal year shall remain in the fund. The monies in the fund shall be invested by the
5 state treasurer in the same manner as monies in the state general fund, and interest
6 earned on the investment of monies shall be credited to the fund.

7 C. Monies in the fund shall be appropriated and used solely for public
8 postsecondary education institutions.

9 * * *

10 §352. Cancellation of unexpended portions of appropriations; exceptions

11 Whenever any specific appropriation is made to meet any item of expenditure
12 which occurs annually by provision of law or for contingent expense, and any
13 portion of it remains unexpended at the end of the year for which the specific
14 appropriation was made, after all legal claims against it for the year have been paid,
15 the commissioner of administration shall cancel any balance of the appropriation,
16 and each succeeding year he shall open a new account for the appropriation which
17 may be made for that particular year, without carrying forward any unexpended
18 balance of appropriation made for any previous year. This provision shall not apply
19 to appropriations made to pay the debt of the state, principal and interest. Prior to
20 placing monies associated with such unexpended appropriations into the state general
21 fund, the state treasurer shall transfer all cash balances identified and reported by the
22 commissioner of administration as being from unexpended and unencumbered State
23 General Fund (Direct) and Overcollections Fund appropriations for professional,
24 personal, and consulting service contracts not approved by the Joint Legislative
25 Committee on the Budget as provided in R.S. 39:1493.11 remaining at the end of
26 each fiscal year for deposit in and credit to the Higher Education Financing Fund as
27 is necessary to satisfy the requirements of R.S. 39:100.146 and then shall make
28 deposits to the Payments Towards the UAL Fund as are necessary to satisfy the
29 requirements of R.S. 39:100.11.

30 * * *

1 §1489. Reporting requirements; annual report

2 A. The director shall prepare such reports as he finds necessary for the
3 proper conduct of his duties, to include an annual report of all professional, personal,
4 consulting, social services, and other contracts over which the office of contractual
5 review has power and authority under the provisions of this Chapter or through
6 administrative rules and regulations. The annual report shall be compiled on a fiscal
7 year basis and consist, at a minimum, of summary descriptive and statistical data
8 regarding the number and amounts of such contracts by type of service. The annual
9 report shall be submitted to the president of the Senate and speaker of the House of
10 Representatives not later than January first of the year following the end of the fiscal
11 year for which the report is prepared.

12 B. The director shall submit a report at the end of each month to the Joint
13 Legislative Committee on the Budget summarizing each contract, including the
14 dollar value of each such contract awarded that month over which the office of
15 contractual review has power and authority. The report shall also indicate if each
16 contract is for discretionary purposes or if it is for non-discretionary purposes.

17 * * *

18 SUBPART G. APPROVAL OF CERTAIN CONTRACTS

19 FOR FISCAL YEAR 2014-2015 THROUGH FISCAL YEAR 2016-2017

20 §1493.11. Approval of Certain Contracts for Fiscal Year 2014-2015 Through Fiscal
21 Year 2016-2017

22 A.(1) In Fiscal Year 2014-2015 through 2016-2017, all contracts for
23 professional, personal, and consulting services with a total dollar amount of forty
24 thousand dollars or more per year which are funded solely with the State General
25 Fund (Direct) or the Overcollections Fund and are for discretionary purposes shall
26 be reported to the Joint Legislative Committee on the Budget for review and
27 approval. If within thirty days of receipt of the contract, the Joint Legislative
28 Committee on the Budget does not place the contract on its agenda for review and
29 approval, the contract shall be deemed to be approved.

1 (2) If within thirty days of receipt of the contract, the contract is placed on
2 the agenda for review and approval, it shall require the approval of the Joint
3 Legislative Committee on the Budget in a vote of the committee in open meeting.
4 The Joint Legislative Committee on the Budget may either approve the contract,
5 reject the contract and notify the commissioner of administration that such funds
6 otherwise proposed for this purpose be deposited into the Higher Education
7 Financing Fund as provided in R.S. 39:100.146, or the Joint Legislative Committee
8 on the Budget may recommend revisions to the contract.

9 (3) If the Joint Legislative Committee on the Budget recommends revisions
10 to the contract, the contract shall not become effective until it is revised, resubmitted
11 to the Joint Legislative Committee on the Budget, and acted upon by the committee.
12 If the contract is not resubmitted to the Joint Legislative Committee on the Budget
13 within thirty days after the committee recommends revisions to the contract, the
14 contract shall be deemed to be rejected.

15 B.(1) The commissioner of administration, in consultation with the director
16 of the office of contractual review, shall periodically determine the amount of
17 monies appropriated for professional, personal, and consulting service contracts that
18 are not approved by the Joint Legislative Committee on the Budget as a result of
19 implementation of this Section. Such determinations shall take place quarterly in
20 fiscal years 2014-2015, 2015-2016, and 2016-2017.

21 (2) Following each determination required pursuant to the provisions of this
22 Subsection, the commissioner of administration shall report to the state treasurer the
23 amount of direct state general fund monies appropriated for professional, personal,
24 and consulting service contracts that are expected to remain unexpended and
25 unencumbered at the end of the fiscal year as a result of implementation of this
26 Section. These monies shall be available for deposit in and credit to the Higher
27 Education Financing Fund as provided for in R.S. 39:100.146.

1 C. Notwithstanding any provision of law to the contrary, this Section shall
 2 not apply to the following professional, personal, or consulting service contracts:

3 (1) Contracts of the secretary of state necessary to perform any constitutional
 4 or statutory function of the office.

5 (2) All contracts to implement the programs of the Department of Health and
 6 Hospitals that are funded pursuant to Title XIX, Title XX and Title XXI of the Social
 7 Security Act or funded fully or partially by federal funds.

8 (3) Contracts with state or local providers of indigent defender services
 9 necessary to perform any constitutional or statutory function.

10 (4) Contracts of a district attorney necessary to perform any constitutional,
 11 discretionary, or statutory function of the office, or to perform services under the
 12 child support enforcement program administered by the Department of Children and
 13 Family Services in accordance with the federal requirements of Title IV-D of the
 14 Social Security Act and corresponding state laws and regulations.

15 Section 2. R.S. 39:1405.4(I) is hereby enacted to read as follows:

16 §1405.4. Costs of issuance and reporting requirements

17 * * *

18 I. Beginning on October 1, 2015, and not later than October first of each year
 19 thereafter, the state treasurer shall submit an annual report to the Senate Committee
 20 on Finance, the Senate Committee on Revenue and Fiscal Affairs, the House
 21 Committee on Appropriations, and the House Committee on Ways and Means that
 22 includes and summarizes in the same form and content required by this Section all
 23 the actual costs of issuance of bonds, notes, or other issuances of indebtedness
 24 approved and paid by the State Bond Commission during the previous July first to
 25 June thirtieth time period, including but not limited to all the discounts, fees, charges
 26 and costs paid from bond proceeds or other sources provided for in Subsection (C)
 27 of this Section, the total of such discounts, fees, charges, and other costs paid to each
 28 individual or company during such time period, and a notation of how much of such
 29 discounts, fees, charges, and other costs paid required supplemental approval of the
 30 State Bond Commission because the actual costs of issuance in any line item

1 exceeded the approved costs of issuance by a variance of ten percent or more as
2 provided for in Subsection (E) of this Section.

3 Section 3. The provisions of Section 1 of this Act shall become null, void, and of no
4 effect on July 1, 2017.

5 Section 4. This Act shall become effective on July 1, 2014; if vetoed by the governor
6 and subsequently approved by the legislature, this Act shall become effective on July 1,
7 2014, or on the day following such approval by the legislature, whichever is later.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____