

**ACT No. 47**

2016 Regular Session

HOUSE BILL NO. 215

BY REPRESENTATIVE HENRY

1 AN ACT

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

6 Be it enacted by the Legislature of Louisiana:

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

13 In the conduct of each such business, receipts shall be deposited in the state treasury  
14 and disbursements made by the state treasurer to the extent of the amount deposited to the  
15 credit of each ancillary fund, for the Fiscal Year 2016-2017. All funds appropriated herein  
16 shall be expended in compliance with the public bid laws of the state.

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

20 B. Funds on deposit with the state treasury at the close of the fiscal year are  
21 authorized to be transferred to each fund respectively, as equity for Fiscal Year 2017-2018.

22 All unexpended cash balances as of June 30, 2017, shall be remitted to the state  
23 treasurer on or before August 14, 2017. If not reestablished in the subsequent year's Act, the  
24 agency must liquidate all assets and return all advances no later than August 14, 2017.

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

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

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

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

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

30           Section 5. All key and supporting performance objectives and indicators for the  
 31 departments, agencies, programs, and budget units contained in the Governor's Executive

1 Budget Supporting Document shall be adjusted by the commissioner of administration to  
2 reflect the funds appropriated therein. The commissioner of administration shall report on  
3 these adjustments to the Joint Legislative Committee on the Budget by August 12, 2016.

4 Section 6. The following definition is provided for the terms of this Act: "Working  
5 Capital" shall be considered the excess of current assets over current liabilities on an accrual  
6 basis.

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

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

20 Section 9. In conjunction with the continuing assessment of the existing staff, assets,  
21 contracts, and facilities of each department, agency, program or budget unit's information  
22 technology resources, procurement resources, and human capital resources, upon completion  
23 of this assessment and to the extent optimization of these resources will result in the  
24 projected cost savings through staff reductions, realization of operational efficiencies, cost  
25 avoidance, and elimination of asset duplication, the commissioner of administration is  
26 authorized to transfer the functions, positions, assets, and funds from any other department,  
27 agency, program, or budget units related to these optimizations to a different department.  
28 The provisions of this Section shall not apply to the Department of Culture, Recreation and  
29 Tourism, or any agency contained in Schedule 04, Elected Officials, of the General  
30 Appropriation Act.

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**SCHEDULE 21**

**ANCILLARY APPROPRIATIONS**

**21-800 OFFICE OF GROUP BENEFITS**

EXPENDITURES:

State Group Benefits - Authorized Positions (42) \$ 1,414,286,544  
*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 \$ 1,414,286,544

MEANS OF FINANCE:

State General Fund by:  
 Interagency Transfers \$ 198,733  
 Fees & Self-generated Revenues \$ 1,414,087,811

TOTAL MEANS OF FINANCING \$ 1,414,286,544

Payable out of State General Fund  
 by Fees and Self-generated Revenues  
 for claims expenditures \$ 30,990,252

**21-804 OFFICE OF RISK MANAGEMENT**

EXPENDITURES:

Risk Management - Authorized Positions (37) \$ 203,047,659  
*Program Description: Provides for the overall executive leadership and management of the office, support services, policy analysis, management direction of the state's self-insurance program; provides funding for the payment of losses on medical, malpractice, property, comprehensive general liability, personal injury, automobile liability, automobile physical damage, bonds, crime, aviation, wet marine boiler and machinery and miscellaneous tort claims; provides funding for the payment of contracts issued for professional legal defense of claims made against the state; provides funding for the reimbursement of the Division of Risk Litigation in the Office of the Attorney General for costs incurred for professional legal defense of claims made against the state.*

TOTAL EXPENDITURES \$ 203,047,659

MEANS OF FINANCE:

State General Fund by:  
 Interagency Transfers \$ 183,203,347  
 Fees & Self-generated Revenues \$ 17,844,312  
 Statutory Dedications:  
 Future Medical Care Fund \$ 2,000,000

TOTAL MEANS OF FINANCING \$ 203,047,659

**21-806 LOUISIANA PROPERTY ASSISTANCE**

EXPENDITURES:

Louisiana Property Assistance - Authorized Positions (39) \$ 6,135,314  
*Program Description: Provides for the accountability of the state's moveable property through the development and implementation of sound management practices.*

TOTAL EXPENDITURES \$ 6,135,314

1	MEANS OF FINANCE:	
2	State General Fund by:	
3	Interagency Transfers	\$ 1,078,852
4	Fees & Self-generated Revenues	<u>\$ 5,056,462</u>
5		
	TOTAL MEANS OF FINANCING	<u>\$ 6,135,314</u>

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

7	EXPENDITURES:	
8	Federal Property Assistance - Authorized Positions (9)	<u>\$ 3,255,319</u>
9	<b>Program Description:</b> <i>Seeks to assure the fair and equitable distribution of</i>	
10	<i>federal property allocated to Louisiana by the General Services Administration to</i>	
11	<i>eligible Louisiana donees.</i>	
12		
	TOTAL EXPENDITURES	<u>\$ 3,255,319</u>

13	MEANS OF FINANCE:	
14	State General Fund by:	
15	Interagency Transfers	\$ 234,342
16	Fees & Self-generated Revenues	<u>\$ 3,020,977</u>
17		
	TOTAL MEANS OF FINANCING	<u>\$ 3,255,319</u>

**21-811 PRISON ENTERPRISES**

19	EXPENDITURES:	
20	Prison Enterprises - Authorized Positions (72)	<u>\$ 34,328,514</u>
21	<b>Program Description:</b> <i>Utilizes the resources of the Department of Public Safety</i>	
22	<i>and Corrections in the production of food, fiber, and other necessary items used by</i>	
23	<i>offenders in order to lower the cost of incarceration; provides products and</i>	
24	<i>services to state agencies and agencies of parishes, municipalities, and other</i>	
25	<i>political subdivisions; and provides work opportunities for offenders. Prison</i>	
26	<i>Enterprises conducts both industry operations and agriculture operations.</i>	
27		
	TOTAL EXPENDITURES	<u>\$ 34,328,514</u>

28	MEANS OF FINANCE:	
29	State General Fund by:	
30	Interagency Transfers	\$ 23,674,511
31	Fees & Self-generated Revenues	<u>\$ 10,654,003</u>
32		
	TOTAL MEANS OF FINANCING	<u>\$ 34,328,514</u>

**21-815 OFFICE OF TECHNOLOGY SERVICES**

34	EXPENDITURES:	
35	Office of Technology Services - Authorized Positions (665)	\$ 229,453,668
36	Authorized Other Charges Positions (9)	
37	<b>Program Description:</b> <i>Provides for cost-effective technology services that satisfy</i>	
38	<i>the needs of approved governmental units of the State of Louisiana.</i>	
39	Office of Production Support Services - Authorized Positions (65)	\$ 19,983,812
40	<b>Program Description:</b> <i>Provides cost-effective design, printing, warehousing and</i>	
41	<i>presorting services to agencies within state government.</i>	
42	Office of Telecommunication Management - Authorized Positions (107)	<u>\$ 51,104,963</u>
43	<b>Program Description:</b> <i>Provides for cost-effective telecommunications services</i>	
44	<i>that satisfy the needs of approved governmental units of the State of Louisiana.</i>	
45		
	TOTAL EXPENDITURES	<u>\$ 300,542,443</u>

1	MEANS OF FINANCE:	
2	State General Fund by:	
3	Interagency Transfers	\$ 299,523,970
4	Fees & Self-generated Revenues	\$ <u>1,018,473</u>
5		
	TOTAL MEANS OF FINANCING	\$ <u>300,542,443</u>
6	<b>21-816 DIVISION OF ADMINISTRATIVE LAW</b>	
7	EXPENDITURES:	
8	Administration - Authorized Positions (58)	\$ <u>7,933,660</u>
9	<b>Program Description:</b> <i>Provides a neutral forum for handling administrative</i>	
10	<i>hearings for certain state agencies, with respect for the dignity of individuals and</i>	
11	<i>their due process rights.</i>	
12		
	TOTAL EXPENDITURES	\$ <u>7,933,660</u>
13	MEANS OF FINANCE:	
14	State General Fund by:	
15	Interagency Transfers	\$ 7,904,763
16	Fees & Self-generated Revenues	\$ <u>28,897</u>
17		
	TOTAL MEANS OF FINANCING	\$ <u>7,933,660</u>
18	<b>21-820 OFFICE OF STATE PROCUREMENT</b>	
19	EXPENDITURES:	
20	State Procurement - Authorized Positions (92)	\$ <u>10,474,289</u>
21	<b>Program Description:</b> <i>The mission of the Office of State Procurement is to</i>	
22	<i>provide cost-effective services that satisfy the needs of approved governmental units</i>	
23	<i>of the State of Louisiana through the management of products and services.</i>	
24		
	TOTAL EXPENDITURES	\$ <u>10,474,289</u>
25	MEANS OF FINANCE:	
26	State General Fund by:	
27	Interagency Transfers	\$ 9,496,667
28	Fees & Self-generated Revenues	\$ <u>977,622</u>
29		
	TOTAL MEANS OF FINANCING	\$ <u>10,474,289</u>
30	<b>21-821 OFFICE OF STATE HUMAN CAPITAL MANAGEMENT</b>	
31	EXPENDITURES:	
32	Human Capital Management - Authorized Positions (318)	\$ <u>29,061,008</u>
33	Authorized Other Charges Positions (1)	
34	<b>Program Description:</b> <i>Provides for cost-effective Human Resource services that</i>	
35	<i>satisfy the needs of approved governmental units of the State of Louisiana.</i>	
36		
	TOTAL EXPENDITURES	\$ <u>29,061,008</u>
37	MEANS OF FINANCE:	
38	State General Fund by:	
39	Interagency Transfers	\$ <u>29,061,008</u>
40		
41	TOTAL MEANS OF FINANCING	\$ <u>29,061,008</u>



Section 10. This Act shall become effective on July 1, 2016.

**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 2015-2016 as of December 1, 2015, are compared to the appropriations for FY 2016-2017 as contained in the original bill. The commissioner of administration shall adjust the amounts shown to reflect final appropriations after enactment of this bill.

		<b>EOB AS OF12/01/2015</b>	<b>ORIGINAL APPROPRIATION</b>
<b>21A-ANCIL</b>			
<b>21-800</b>	<b>Office of Group Benefits</b>		
State Group Benefits	Interagency Transfers	\$198,733	\$198,733
State Group Benefits	Fees & Self-generated Revenues	\$1,460,875,061	\$1,414,087,811
	<b>Program Total:</b>	<b>\$1,461,073,794</b>	<b>\$1,414,286,544</b>
	<b>Authorized Positions:</b>	42	42
	<b>Authorized Other Charges Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$1,461,073,794</b>	<b>\$1,414,286,544</b>
	<b>Authorized Positions:</b>	42	42
	<b>Authorized Other Charges Positions:</b>	0	0
<b>21-804</b>	<b>Office of Risk Management</b>		
Risk Management	Interagency Transfers	\$169,953,575	\$183,203,347
Risk Management	Fees & Self-generated Revenues	\$15,794,312	\$8,436,911
Risk Management	Statutory Dedications	\$2,000,000	\$2,000,000
	<b>Program Total:</b>	<b>\$187,747,887</b>	<b>\$193,640,258</b>
	<b>Authorized Positions:</b>	37	37
	<b>Authorized Other Charges Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$187,747,887</b>	<b>\$193,640,258</b>
	<b>Authorized Positions:</b>	37	37
	<b>Authorized Other Charges Positions:</b>	0	0
<b>21-806</b>	<b>Louisiana Property Assistance Agency</b>		
Louisiana Property Assistance	Interagency Transfers	\$1,062,661	\$1,078,852
Louisiana Property Assistance	Fees & Self-generated Revenues	\$4,919,309	\$5,056,462
	<b>Program Total:</b>	<b>\$5,981,970</b>	<b>\$6,135,314</b>
	<b>Authorized Positions:</b>	39	39
	<b>Authorized Other Charges Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$5,981,970</b>	<b>\$6,135,314</b>
	<b>Authorized Positions:</b>	39	39
	<b>Authorized Other Charges Positions:</b>	0	0



<b>21-807</b>	<b>Federal Property Assistance Agency</b>		
Federal Property Assistance	Interagency Transfers	\$234,342	\$234,342
Federal Property Assistance	Fees & Self-generated Revenues	\$2,945,996	\$3,020,977
	<b>Program Total:</b>	<b>\$3,180,338</b>	<b>\$3,255,319</b>
	<b>Authorized Positions:</b>	9	9
	<b>Authorized Other Charges Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$3,180,338</b>	<b>\$3,255,319</b>
	<b>Authorized Positions:</b>	9	9
	<b>Authorized Other Charges Positions:</b>	0	0
<b>21-811</b>	<b>Prison Enterprises</b>		
Prison Enterprises	Interagency Transfers	\$23,542,188	\$23,674,511
Prison Enterprises	Fees & Self-generated Revenues	\$11,036,860	\$10,654,003
	<b>Program Total:</b>	<b>\$34,579,048</b>	<b>\$34,328,514</b>
	<b>Authorized Positions:</b>	72	72
	<b>Authorized Other Charges Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$34,579,048</b>	<b>\$34,328,514</b>
	<b>Authorized Positions:</b>	72	72
	<b>Authorized Other Charges Positions:</b>	0	0
<b>21-815</b>	<b>Office of Technology Services</b>		
Office of Production Support Services	Interagency Transfers	\$18,722,887	\$19,833,812
Office of Production Support Services	Fees & Self-generated Revenues	\$150,000	\$150,000
	<b>Program Total:</b>	<b>\$18,872,887</b>	<b>\$19,983,812</b>
	<b>Authorized Positions:</b>	65	65
	<b>Authorized Other Charges Positions:</b>	0	0
Office of Technology Services	Interagency Transfers	\$249,363,021	\$229,428,668
Office of Technology Services	Fees & Self-generated Revenues	\$25,000	\$25,000
	<b>Program Total:</b>	<b>\$249,388,021</b>	<b>\$229,453,668</b>
	<b>Authorized Positions:</b>	665	665
	<b>Authorized Other Charges Positions:</b>	9	9
Office of Telecommunication Management	Interagency Transfers	\$46,862,947	\$50,261,490
Office of Telecommunication Management	Fees & Self-generated Revenues	\$843,473	\$843,473
	<b>Program Total:</b>	<b>\$47,706,420</b>	<b>\$51,104,963</b>
	<b>Authorized Positions:</b>	107	107
	<b>Authorized Other Charges Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$315,967,328</b>	<b>\$300,542,443</b>
	<b>Authorized Positions:</b>	837	837
	<b>Authorized Other Charges Positions:</b>	9	9

<b>21-816</b>	<b>Division of Administrative Law</b>		
Administration	Interagency Transfers	\$7,333,697	\$7,904,763
Administration	Fees & Self-generated Revenues	\$28,897	\$28,897
	<b>Program Total:</b>	<b>\$7,362,594</b>	<b>\$7,933,660</b>
	<b>Authorized Positions:</b>	55	58
	<b>Authorized Other Charges Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$7,362,594</b>	<b>\$7,933,660</b>
	<b>Authorized Positions:</b>	55	58
	<b>Authorized Other Charges Positions:</b>	0	0
<b>21-820</b>	<b>Office of State Procurement</b>		
Office of State Procurement	Interagency Transfers	\$9,060,756	\$9,725,023
Office of State Procurement	Fees & Self-generated Revenues	\$439,266	\$749,266
	<b>Program Total:</b>	<b>\$9,500,022</b>	<b>\$10,474,289</b>
	<b>Authorized Positions:</b>	93	92
	<b>Authorized Other Charges Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$9,500,022</b>	<b>\$10,474,289</b>
	<b>Authorized Positions:</b>	93	92
	<b>Authorized Other Charges Positions:</b>	0	0
<b>21-821</b>	<b>Office of State Human Capital Management</b>		
Office of State Human Capital Management	Interagency Transfers	\$27,706,159	\$29,061,008
	<b>Program Total:</b>	<b>\$27,706,159</b>	<b>\$29,061,008</b>
	<b>Authorized Positions:</b>	318	318
	<b>Authorized Other Charges Positions:</b>	1	1
	<b>Agency Total:</b>	<b>\$27,706,159</b>	<b>\$29,061,008</b>
	<b>Authorized Positions:</b>	318	318
	<b>Authorized Other Charges Positions:</b>	1	1
<b>21-829</b>	<b>Office of Aircraft Services</b>		
Flight Maintenance	Interagency Transfers	\$1,912,310	\$1,877,953
Flight Maintenance	Fees & Self-generated Revenues	\$59,768	\$429,215
	<b>Program Total:</b>	<b>\$1,972,078</b>	<b>\$2,307,168</b>
	<b>Authorized Positions:</b>	3	3
	<b>Authorized Other Charges Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$1,972,078</b>	<b>\$2,307,168</b>
	<b>Authorized Positions:</b>	3	3
	<b>Authorized Other Charges Positions:</b>	0	0

<b>21-860</b>	<b>Clean Water State Revolving Fund</b>		
Clean Water State Revolving Fund	Statutory Dedications	\$85,000,000	\$85,000,000
	<b>Program Total:</b>	<b>\$85,000,000</b>	<b>\$85,000,000</b>
	<b>Authorized Positions:</b>	0	0
	<b>Authorized Other Charges   Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$85,000,000</b>	<b>\$85,000,000</b>
	<b>Authorized Positions:</b>	0	0
	<b>Authorized Other Charges   Positions:</b>	0	0
<b>21-861</b>	<b>Safe Drinking Water Revolving Loan Fund</b>		
Safe Drinking Water Revolving Loan Fund	Statutory Dedications	\$34,000,000	\$34,000,000
	<b>Program Total:</b>	<b>\$34,000,000</b>	<b>\$34,000,000</b>
	<b>Authorized Positions:</b>	0	0
	<b>Authorized Other Charges   Positions:</b>	0	0
	<b>Agency Total:</b>	<b>\$34,000,000</b>	<b>\$34,000,000</b>
	<b>Authorized Positions:</b>	0	0
	<b>Authorized Other Charges   Positions:</b>	0	0

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_