

SENATE BILL NO. 299

BY SENATOR DONAHUE

1 AN ACT

2 To enact R.S. 39:32(L) and R.S. 49:308.6, relative to state government services; to provide
3 for a cost recovery budget request form; to provide for distribution of the form; to
4 provide for an annual evaluation of certain fees; to provide relative to the
5 development of a plan and schedule relative to the review of fees; to provide for an
6 annual review and report of the findings of such review; to provide for an effective
7 date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 39:32(L) is hereby enacted to read as follows:

10 §32. Budget request contents

11 * * *

12 **L.(1)(a) Beginning with budget preparation for the Fiscal Year 2011-**
13 **2012 budget, the division of administration shall develop a "cost recovery"**
14 **budget request form to be completed by each budget unit in the executive**
15 **branch of state government, except those in higher education agencies in which**
16 **case the Board of Regents shall develop such form.**

17 **(b) Such form shall require the budget unit to:**

18 **(i) List all fees authorized for collection by the budget unit that are**
19 **requested to be appropriated in the General Appropriation Bill as part of the**
20 **unit's operating budget.**

21 **(ii) Report the prior fiscal year's actual revenue generated from fees as**
22 **well as actual expenditures associated with providing the service or performing**
23 **the activity; report the current fiscal year's budget authority and anticipated**
24 **expenditures; report the next fiscal year's requested budget authority and**
25 **projected expenditures.**

26 **(iii) Provide a summary description of service or activity funded by the**
27 **fee and the legal authority for the fee.**

1 (iv) Include performance indicator data associated with the service or
2 activity.

3 (v) Provide historical data on revenue generated and expenditures.

4 (vi) Provide a recommendation on apportionment of funding between
5 the state and the particular user group.

6 (c) For purposes of this Section, "expenses" shall include both direct and
7 indirect cost associated with providing the service or performing the activity.

8 (d) The division of administration and Board of Regents may modify the
9 current Budget Request Form No. 6, 6(a), (b) and (s) or a similar form reporting
10 means of finance other than state general fund to be the cost recovery form
11 required by this Section.

12 (e) Guidelines for completing the cost recovery form shall be included
13 in the annual instructions provided by the division of administration or Board
14 of Regents to the budget units. In addition, the cost recovery form shall be
15 included in and considered a part of the official documents of the budget unit's
16 budget request.

17 (2)(a) The meaning of terms used in this Section, the creation of budget
18 form, the distribution of the form, and inclusion in the budget unit's official
19 budget request and distribution thereof shall be consistent with the provisions
20 of Subpart A of Part II of Chapter I of Subtitle I of Title 39 of the Louisiana
21 Revised Statutes of 1950.

22 (b) In addition, the head of each budget unit or the Board of Regents,
23 simultaneous with submission of their budget request to the governor, shall
24 submit to the Commission on Streamlining Government their completed cost
25 recovery forms on services and activities performed by their budget units.

26 (3) If any budget unit fails to submit completed cost recovery forms as
27 required by this Section, R.S. 39:33(B) shall be applicable.

28 Section 2. R.S. 49:308.6 is hereby enacted to read as follows:

29 §308.6. State government fees for services and activities; cost recovery

30 A.(1) The division of administration shall establish a procedure for

1 periodic review, analysis, and evaluation that ensures that fees established to
2 fund specific activities are generating funding in direct proportion to
3 expenditures associated with such activity.

4 (2) The review, analysis, and evaluation shall be performed by House
5 and Senate staff and shall include historical data and trends. It shall specifically
6 consider revenue generated through the fee, expenditures incurred for the
7 activity, the ratio of revenue to expenditures, the units of service and annual
8 cost per unit of service. It may include any other information deemed relevant
9 and appropriate by the commissioner of administration.

10 B.(1) Beginning October 1, 2010, and every year thereafter, the division
11 of administration shall develop a plan and schedule for the review of fees. The
12 plan and schedule shall be submitted to the Joint Legislative Committee on the
13 Budget for its review and approval. The plan may be adjusted annually as
14 needed.

15 (2) Each plan and schedule shall provide for the review of not more than
16 twenty-five percent of the fees. The plan and schedule shall specify the fees that
17 are to be reviewed. A fee shall be reviewed at least once in a time period of five
18 years.

19 (3) The Joint Legislative Committee on the Budget, hereinafter referred
20 to as "the committee", shall conduct a review of the fees as specified in such
21 plan and schedule. Such review may include the division of administration's
22 evaluation and any other information deemed appropriate by the committee.

23 (4) No later than February 15, 2011, and every year thereafter, the
24 committee shall report the findings of each review to the speaker of the House
25 of Representatives, the president of the Senate, the governor, the commissioner
26 of administration, and the chairman of the Commission on Streamlining
27 Government. Such report shall include findings regarding a policy
28 determination as to the appropriate apportionment of funding between the
29 general public and the user group for the activity and whether the fee is set at
30 the appropriate amount to fund in whole, or in part, the activity.

1 (5) In the event the committee finds that the fee is not set at the
 2 appropriate amount, the head of the agency shall have sixty days to provide a
 3 response to the committee on actions planned or taken to address the finding.

4 C. Each agency that charges fees which are part of a budget unit's
 5 operating budget in the General Appropriation Bill shall post on its website the
 6 data and information used to calculate the fee and the method of calculation.
 7 The agency shall also post any audits regarding the fee as well as any review and
 8 findings of the committee.

9 Section 3. This Act shall become effective on July 1, 2010.

 PRESIDENT OF THE SENATE

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____