

Commission on Streamlining Government

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NOTICE OF MEETING

November 10, 2009
9:00 a.m.
Room A-B

REVISED AGENDA

added items under VIII.
Consideration of Advisory Group Recommendations

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. APPROVAL OF MINUTES**
October 27, 2009 & November 3, 2009
- IV. PRESENTATION**
Superintendent Paul Pastorek, Department of Education
- V. RECEIVE ADVISORY GROUP RECOMMENDATIONS**
- VI. RECEIVE COMMISSION MEMBER RECOMMENDATIONS**
- VII. PUBLIC COMMENTS**
- VIII. CONSIDERATION OF ADVISORY GROUP RECOMMENDATIONS**

IT Integration:

- AGIT #1** To recommend that legislation be enacted to allow reverse auctions.
- AGIT #2A** Requires all agencies, departments, and certain statewide elected officials, except higher education, to "opt in" to the LaGov (ERP) project.
- AGIT #3** Continue the implementation of the LaGov (ERP) project.

- AGIT #4** Consolidate the state's data processing assets to move to a centralized data environment.
- AGIT #5** Continue the implementation of e-mail as a statewide shared enterprise service.
- AGIT #6** Implement an IT spend analysis/agency efficiency scorecard.
- AGIT #7-I** Review, modernize and consolidate management of IT procurement.
- AGIT #7-II** Implement a project management office within the Office of Information Technology.
- AGIT #8** Implement a single infrastructure for external health care initiatives.
- AGIT #9A** Continue implementation of a management of enterprise network infrastructure.

Efficiency and Benchmarking:

- AGEB #16** To require that 75% of the money in Louisiana's Capital Outlay Program be spent on road construction and maintenance through the existing priority program for each year of the next five years.
- AGEB #17** To rehabilitate and use the currently unoccupied "Big Charity Hospital" building as a public teaching hospital if the State of Louisiana decides to go forward with its plans to construct such a hospital in New Orleans.
- AGEB #18** To require non-elderly, non-disabled recipients of any affordable housing or housing assistance program offered through the Louisiana Housing Finance Agency to obtain formal employment in the private sector or government, and require that those recipients who claim they cannot find employment to participate in a supervised job search or in educational job training program that assists people to obtain employment or perform community service.
- AGEB #19** To direct all boards and commissions, except those boards responsible for administering Louisiana's retirement systems, to file electronically, on or before February 1 of each calendar year, with the Commissioner of Administration of the state of Louisiana, the Speaker of the Louisiana House of Representatives and the President of the Louisiana Senate, a financial statement setting forth in detail the assets and liabilities, including unencumbered and encumbered cash on hand, of each board and commission. To further direct all money which is not needed by these boards be subject to appropriation for any lawful purpose by the Louisiana Legislature.
- AGEB #20** If the existing but currently unoccupied "Big Charity Hospital" building is rehabilitated (instead of being rebuilt on a new site), and used as a public teaching hospital, \$50 million of the projected savings achieved by rehabilitating the hospital

will be used to recruit health care professionals and researchers to the hospital and the schools affiliated with it in order to establish a world class academic research and medical center.

AGEB #21 To provide, by statute, for a Louisiana spending limit identical to the Oregon spending limit, known as the Oregon kicker law, with the exception that, under the Louisiana spending limit, excess revenues would first be deposited into the Louisiana Budget Stabilization Fund (the Rainy Day Fund) until that fund reaches its cap before any rebates are returned to individual or corporate taxpayers. The spending limit shall be cancelled or overridden in a particular year only by a two-thirds vote of the Louisiana Legislature, which shall be subject to veto by the governor.

AGEB #22 That no department or agency of Louisiana state government shall be authorized to privatize a program or service unless there is demonstrative evidence that the benefits of the privatization outweigh its costs; that the department or agency entering into the privatization contract be held accountable and responsible for the cost and quality of the service under the contract; that all privatization contracts require the approval of the Joint Committee on the Budget of the Louisiana Legislature; that the public department or agency entering into the privatization contract be required to monitor the contract to ensure that the benefits of the privatization outweigh the costs on an annual basis; and that private contractors retained through a privatization contract be required to give a hiring preference to public employees who are displaced by the privatization.

AGEB #23A That Louisiana state government create a website modeled after the "Where the Money Goes: Window on State Government and Transparency at Work in Texas" website provided by the Texas Comptroller of Public Accounts which is a user friendly website containing a database on state spending searchable by state agency, payee and category of expense, and which includes a virtual check register updated daily and available twenty-four hours a day. The Commission further recommends that Louisiana state government also assimilate into this new website the best practices and user-friendly nature exhibited by the state of Utah's "transparent.utah.gov" website, which is dedicated to the transparency and accountability of Utah's government finances.

AGEB #24 To make pretrial mediation of disputed claims filed with the Office of Workers Compensation voluntary, which will eliminate the need for six attorney mediators at the Office of Workers Compensation at an average annual savings of \$75,000 for each mediator.

AGEB #25 The Department of Revenue be authorized and directed to establish provisions on its website so that taxpayers may ask questions about tax notices and receive answers online, through email, and that allow taxpayers to file an appeal of an alleged delinquency online.

- AGEB #26** Departments and agencies of state government to contract with the Department of Revenue to have their document and remittance processing performed by the Department of Revenue until the Department of Revenue's equipment is used as close to 100% of the time as is practical and possible.
- AGEB #27** The Louisiana Workforce Commission audit program for unemployment insurance taxes be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Louisiana Workforce Commission to perform this service be appropriated annually to the Department of Revenue to perform the service.
- AGEB #28** The Department of Natural Resources field audit program for royalties be transferred to the Department of Revenue and that no more than 75% of the monies spent by the Department of Natural Resources to perform this service by appropriated annually to the Department of Revenue to perform the service.
- AGEB #29** The audit functions and responsibilities of the International Registration Plan currently administered by the Department of Public Safety and Corrections to the Department of Revenue, which currently performs audits for the International Fuel Tax Agreement, and that no more than 75% of the monies spent by the Department of Public Safety and Corrections to perform these services be appropriated to the Department of Revenue to perform the services.
- AGEB #30** That inefficient and circular flows of tax payments and tax credits be eliminated by having the state make a direct payment to the local government or entity levying the tax or surcharge for which tax credits are taken.
- AGEB #31** All departments and agencies of Louisiana state government to the maximum extent possible contract with the Department of Public Safety and Corrections for prison labor to perform cleaning and janitorial services.
- AGEB #32** The Louisiana Department of Health and Hospitals (DHH) be directed to immediately and fully implement the provisions of LRS 22:1065 et seq., better known as the "Baby Bill," as well as the Louisiana Health Insurance Premium Payment Program (LaHIPP), and that DHH report to the Louisiana Legislature on a semi-annual basis its results to fully implement these two provisions of Louisiana law.
- AGEB #33** That the preferred drug list program for Medicaid be changed to provide for the two, and only the two, most effective therapeutic drugs that are also the cheapest for each illness. (This includes both generics and brand name drugs that offer rebates.) This will eliminate hundreds of less effective and more expensive drugs from the preferred drug list and could save taxpayers tens of millions of dollars.
- AGEB #34** All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain an outside consultant in a contract equal to or greater than \$50,000 per year. The application for approval of the Joint Committee shall explain the following: (1)

Why the department or agency needs to hire an outside consultant; (2) How the service provided by the outside consultant conforms to the mission of the department or agency; (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency; (4) How the outside consultant was selected; (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Budget Committee does not approve the contract.

AGEB #35 The fixed-site scale responsibilities of the Department of Transportation & Development be transferred to the Louisiana State Police, and that the State Police be directed to achieve a savings of at least 25% in the second year through the consolidation of the responsibilities.

AGEB #36 The Department of Revenue contract with willing local political subdivisions to have the local political subdivisions, while they are auditing for local government sales taxes, to also audit for state sales tax and be paid a reasonable fee to be negotiated between the two entities.

Elimination of Duplicative and Non-Essential Services:

AGDNES #2 Relocate auditing responsibilities of DNR and LWC to DOR.

AGDNES #3 Relocate ATC from DOR to DPS.

AGDNES #4 DOR has excess remittance and document processing capacity that can be used to process paper documents for other state agencies.

AGDNES #5 Establish single location for information technology help desk functions for all state agencies and its employees.

AGDNES #6 Potential elimination of taxes that generate small revenues yet require substantial administrative management and infrastructure to the point that administrative costs exceed revenue proceeds.

AGDNES #7 Establish DOR as the single tax collector for all sales and use taxes throughout the state of Louisiana.

AGDNES #9 Develop plans to further integrate services of DSS and LWC, especially those services where shared clientele is realized.

AGDNES #12 Expand current efforts to reduce unused nursing home bed capacity.

AGDNES #13 Develop pilot program for long-term care (LTC) services for the elderly and people with adult-onset disabilities.

AGDNES #14 Transfer Elderly Protective Services (EPS) from Governor's Office of Elderly Affairs (GOEA) to DHH/Office of Aging and Adult Services (OAAS).

- AGDNES #15** Transfer Independent Living, Community & Family Support, and Traumatic Head and Spinal Cord Injury Trust Fund programs from DSS/LA Rehabilitation Services (LRS) to DHH/Office of Aging and Adult Services (OAAS).
- AGDNES #16** Provide a tax clearance requirement for all state vendors and contractors and permit state departments and agencies to "garnish" payment to vendors and contractors doing business with the state and who also have an adjudicated delinquent account receivable in favor of the state.
- AGDNES #17** Develop plan to transition from manual background checks to automated process. Use certified vendors where applicable.
- AGDNES #18** Perform a system-wide analysis of behavioral health needs of high risk children within the child welfare and OJJ systems to maximize the use of Medicaid funding.
- AGDNES #19** Merge Capitol Police from DofA into Dept. of Public Safety & Corrections - Public Safety.
- AGDNES #20** Re-allocate DSS emergency preparedness sheltering activities to GOHSEP, LANG or a professional vendor.
- AGDNES #21** Consolidate eligibility and enrollment functions for citizens needing services or support from DSS or DHH.
- AGDNES #22** Automate Dept. of Natural Resource's oil and gas permitting and reporting processes under the Office of Conservation.
- AGDNES #23** Transfer appropriate rehabilitation service functions in DSS to DHH and LWC.

IX. CONSIDERATION OF MEMBER RECOMMENDATIONS

- Donahue #2** That certain government services and processes be identified as activities to be funded in whole or in part through "full cost recovery" of expenses by the user or customer; that the criteria for setting the amount of cost recovery be established in consultation with the Society of Louisiana Certified Public Accountants; and that the data and information used, as well as the process employed to calculate the specific charge, and any audits thereof, be displayed on the department's or agency's website.
- Michot #1** To recommend the Board of Elementary & Secondary Education study the use of digital textbooks in state schools and to report to the Legislature prior to March, 2010.

X. ADVISORY GROUP RECOMMENDATIONS HELD OVER

Efficiency and Benchmarking

■ **AGEB #3 - (10/27/09 referred back to AGEB)**

To limit the number of emergency room visits to two annually for treatment of non-emergency medical conditions for Medicaid enrollees under Louisiana's Medicaid Program who wish to have Medicaid pay for their treatment, and for patients who are not covered by a public or private insurance program, and therefore are uninsured, and who wish to receive their treatment without cost or substantially without cost because they are unable to pay for their treatment.

■ **AGEB #5 (10/27/09 "Fiscal Note")**

To provide that a Louisiana state prisoner, except those determined to have certain disabilities, who does not have a high school diploma, or who has not passed the General Education Development test (GED) certifying that he has American high school academic skills, shall not be eligible for probation or parole until he has passed the GED through a program offered by the La. DPS&C. To provide funds to the DPS&for this responsibility.

■ **AGEB #9 (10/27/09 deferred)**

Requires that all Louisiana public school students who have been suspended from school for more than five days in a school year or who have more than ten unexcused absences from school in a school year be required to enroll in the Louisiana National Guard Youth Challenge Program. To pay for increased enrollment in Youth Challenge with Minimum Foundation Program funds. To change Louisiana law to prohibit students from dropping out of school until they have reached 18 years of age.

■ **AGEB #10 (10/27/09 deferred)**

To direct state government to reduce the number of state government positions by at least 5,000 positions for each year of the next three years pro-rata by department through vacancies and attrition and without reducing the quality of products or services. Department heads are directed in their reorganization efforts to study and take into account layers of management, spans of control, clerical staffing levels, unit consolidation, process re-engineering restructuring, retraining for enhanced skills and headquarters staffing reductions. Department heads should increase productivity by providing training opportunities for employees who wish to learn new skills or improve old skills. To use twenty percent of the savings to increase compensation for employees taking on additional responsibilities.

XI. MEMBER RECOMMENDATIONS HELD OVER

■ **DONAHUE #01 (11/3/09)**

Except as required by the federal government, the Louisiana Constitution, or court order, limit State General Fund appropriations in FY 10-11 and FY 11-12 for operating expenses of each budget unit to no more than 98% of each fiscal year's appropriation while, at a minimum, providing the same kind and level of needed services as provided in the prior fiscal year through increased productivity.

XII. OTHER BUSINESS

XIII. ADJOURNMENT

THIS NOTICE CONTAINS A TENTATIVE AGENDA AND MAY BE REVISED PRIOR TO THE MEETING.

Senator Jack Donahue, *Commission Chairman*