
**State Government, Elections &
Information Technology Committee**

HB 1927

Brief Description: Concerning government efficiency by eliminating, revising or decodifying obsolete or inactive statutory provisions that concern the office of financial management.

Sponsors: Representative Hudgins; by request of Office of Financial Management.

Brief Summary of Bill

- Various obsolete or otherwise inactive statutory provisions related to the Office of Financial Management oversight authority are removed from statute.

Hearing Date: 2/14/17

Staff: Sean Flynn (786-7124).

Background:

The Office of Financial Management (OFM) was created in 1979, as a division of the Governor's Office, to integrate the short and long-term planning and fiscal activities of state government. The OFM assumed the functions of prior offices related to central budgeting, state planning, and population and research management.

Throughout its existence, the Legislature has assigned OFM various statutory functions regarding oversight of agency budgeting and fiscal planning. For example, the OFM must approve any exceptions to the state travel expense limits for executive branch agencies. The State Treasurer's decision to delegate cash management responsibilities to agencies is subject to OFM concurrence. The OFM is directed to adopt policies for how the Department of Financial Institutions may provide the extension of state credit to borrow funds from the financial market. The Governor's Office, through OFM, is directed to approve medical expense claims by military members injured in state service that have been submitted through the military department. Agencies must report to OFM on expenses paid regarding court fees and other related costs.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

In 1994 the Legislature directed the Governor's Office to biennially report to the Legislature on recommendations for which state boards and commissions should be terminated or consolidated. In 1997 the Legislature directed OFM to establish a taskforce to reduce unintended pregnancies. In 2011 the Legislature directed OFM to negotiate performance-based plans for each state university, and the four-year college, in determining the increase or decrease of each institution's tuition level.

Summary of Bill:

Certain provisions of law are removed regarding OFM authority over various fiscal matters regarding specific agencies. The eliminated provisions of OFM responsibility include the following:

- requiring concurrence regarding the State Treasurer's decision to delegate cash management responsibilities to agencies;
- adopting policies for how the Department of Financial Institutions may provide the extension of state credit to borrow funds from the financial market;
- reporting by agencies for expenses paid related to court fees;
- requiring negotiation of performance-based plans for state universities in regards to tuition levels;
- reporting on recommendations for the elimination of state boards and commissions; and
- establishing a workgroup on preventing unwanted pregnancies.

In addition, the approval of medical claims for military members injured in state service must be approved by the Adjutant General, instead of OFM. The authority over exceptions to the state travel expense limits for executive branch agencies must be approved by the head of the agency, instead of OFM.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.