

HCS HB 2621 -- STATE AGENCY EFFICIENCY FUND

SPONSOR: Curtman

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Government Efficiency by a vote of 8 to 1.

This bill creates the "State Agency Efficiency Fund."

The fund only shall include moneys appropriated to a state agency from general revenue and shall not include other moneys collected by a stage agency including, but not limited to, professional registration and licensing fees.

The fund can only be used to incentivize state agency efficiency.

The bill details the process whereby a state agency certifies the amount of unspent moneys to be transferred to the fund, 75% of which is then transferred to the General Revenue Fund and 25% of which is retained in the fund. When a state agency achieves a cost savings or efficiency improvement greater than \$1 million, the amount will be returned to the agency in the form of salary increases or adjustments.

All state agencies and departments can participate in the presentation of the annual report to the State Auditor verifying cost savings and efficiency improvements during the prior fiscal year. Beginning January 1, 2020, these reports will be sent to the General Assembly along with an analysis conducted by the State Auditor concerning the overall accuracy of the reports.

PROPONENTS: Supporters say that the intent of the bill is to stop state agencies from spending down their budgeted funds so they won't lose them and to build a fund that can be used to give state employees raises.

Testifying for the bill was Representative Curtman.

OPPONENTS: Those who oppose the bill say that it is unclear who is actually going to benefit from the bill. Licensing boards are self-funding.

Testifying against the bill was the Missouri Association of Realtors and the Missouri Association of Landscape Architects.