

HB 2621 -- STATE AGENCY EFFICIENCY FUND

SPONSOR: Curtman

This bill creates the "State Agency Efficiency Fund," consisting of:

- (1) All moneys remaining unspent at the end of the fiscal year in any state agency account or fund that automatically reverts to the General Revenue Fund until the moneys are certified; and
- (2) Moneys subject to appropriation by the General Assembly for the purpose of funding salary adjustments.

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.