To: Appropriations

By: Senator(s) Doty

## SENATE BILL NO. 2753

AN ACT TO AMEND SECTIONS 53-1-7, 53-1-73, 53-1-77, 53-3-13 AND 53-11-23, MISSISSIPPI CODE OF 1972, TO DELETE THE PROVISIONS OF LAW REQUIRING CERTAIN EXPENSES OF THE MISSISSIPPI STATE OIL AND GAS BOARD TO BE DEFRAYED BY APPROPRIATION FROM THE STATE GENERAL 5 FUND; TO AMEND SECTION 27-104-205, MISSISSIPPI CODE OF 1972, TO 6 REMOVE THE REQUIREMENT THAT THE STATE OIL AND GAS BOARD BE FUNDED 7 BY APPROPRIATIONS FROM THE GENERAL FUND; TO FURTHER AMEND SECTION 8 53-1-77, MISSISSIPPI CODE OF 1972, TO RETAIN, UNTIL JULY 1, 2021, 9 THE AUTHORITY OF THE BOARD TO OBTAIN FUNDS FROM THE CAPITAL 10 EXPENSE FUND FOR THE EMERGENCY PLUGGING OF ORPHANED WELLS; TO 11 TRANSFER FROM THE STATE GENERAL FUND A CERTAIN AMOUNT OF FUNDS TO 12 THE SPECIAL FUNDS OF THE STATE OIL AND GAS BOARD; TO AMEND SECTION 27-103-303, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PROVISIONS 13 OF THIS ACT; TO AMEND SECTION 25-9-127, MISSISSIPPI CODE OF 1972, 14 TO PROVIDE THAT FROM JULY 1, 2019, THROUGH JUNE 30, 2021, THE 15 16 PERSONNEL ACTIONS OF THE STATE OIL AND GAS BOARD SHALL BE EXEMPT 17 FROM THE STATE PERSONNEL BOARD RULES, REGULATIONS AND PROCEDURES, 18 AND ALL EMPLOYEES OF THE BOARD SHALL BE CLASSIFIED AS NONSTATE SERVICE DURING THAT PERIOD; AND FOR RELATED PURPOSES. 19 20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

- 21 **SECTION 1.** Section 53-1-7, Mississippi Code of 1972, is
- 22 amended as follows:
- 23 53-1-7. The board shall appoint a State Oil and Gas
- Supervisor, herein called supervisor, who shall be a competent and 24
- 25 qualified administrator and receive as compensation for his
- services an annual salary to be fixed by law. The supervisor 26

- 27 shall be solely responsible for the administration of the offices
- 28 of the State Oil and Gas Board and shall be charged with the duty
- of enforcing Sections 53-1-1 through 53-1-47, and Sections 53-3-3
- 30 through 53-3-165, and all rules, regulations and orders duly
- 31 adopted by the board. The supervisor shall be ex officio
- 32 secretary of the board and shall give bond, in such sum as the
- 33 board may direct, with corporate surety to be approved by the
- 34 board, conditioned that he will well and truly account for all
- 35 funds coming into his hands as such secretary. He shall remit to
- 36 the State Treasurer all monies collected by him as such secretary
- 37 for deposit in trust for the use of the board in a special fund
- 38 known as the Oil and Gas Conservation Fund to be expended as
- 39 provided by law.
- 40 The supervisor shall devote his entire time to his official
- 41 duties.
- In addition, it shall be the supervisor's duty and
- 43 responsibility to:
- 44 (a) Supervise and manage all personnel of the offices
- 45 of the Oil and Gas Board.
- 46 (b) Formulate the duties and responsibilities of every
- 47 staff employee in detail, including written job descriptions and
- 48 written policies and procedures for performing staff tasks.
- 49 (c) Outline a detailed method of preparing, and devise
- 50 a systematic procedure for the filing of reports by field
- 51 inspectors.

- 52 (d) Formulate written policies and procedures for the 53 effective and efficient operation of the office, and present these
- 54 policies and procedures to the board for promulgation.
- 55 (e) Supervise the provision of technical support and
- 56 assistance to the board in its decision-making capacity.
- 57 **\* \* \***
- 58 **SECTION 2.** Section 53-1-73, Mississippi Code of 1972, is
- 59 amended as follows:
- 53-1-73. For the purposes of paying the costs and expenses
- 61 incurred in connection with the administration and enforcement of
- 62 the oil and gas conservation laws of the State of Mississippi and
- 63 of the rules, regulations and orders of the State Oil and Gas
- 64 Board, there is \* \* \* levied and assessed against each barrel of
- 65 oil produced in the State of Mississippi a charge not to exceed
- 66 sixty (60) mills on each barrel of such oil sold, and against each
- one thousand (1,000) cubic feet of gas produced and sold a charge
- 68 not to exceed six (6) mills on each one thousand (1,000) cubic
- 69 feet of gas. The State Oil and Gas Board shall fix the amount of
- 70 such charge in the first instances, and may, from time to time,
- 71 change, reduce or increase the amount thereof, as in its judgment
- 72 the charges against the fund may require, but the amounts fixed
- 73 by \* \* \* the board shall not exceed the limits hereinabove
- 74 prescribed; and it shall be the duty of the board to make
- 75 collection of such assessments. All monies collected shall be
- 76 used exclusively to pay the expenses and other costs in connection

- 77 with the functioning of the State Oil and Gas Board and the
- 78 administration of the oil and gas conservation laws of the State
- 79 of Mississippi now in force or hereafter enacted and the rules,
- 80 regulations and orders of \* \* the board.
- 81 \* \* \*
- SECTION 3. Section 53-1-77, Mississippi Code of 1972, is
- 83 amended as follows:
- 84 53-1-77. (1) The State Oil and Gas Supervisor, as ex
- 85 officio secretary of such board, shall remit to the State
- 86 Treasurer all monies collected by reason of the assessments made
- 87 and fixed under the provisions of Section 53-1-73, and the State
- 88 Treasurer shall deposit all such monies in a special fund known as
- 89 the "Oil and Gas Conservation Fund," which is \* \* \* continued in
- 90 effect.
- 91 (2) All monies on deposit in the Oil and Gas Conservation
- 92 Fund on April 10, 1948, and all monies hereafter deposited in such
- 93 fund, shall be held in trust for the use of the board to pay the
- 94 expenses and costs incurred in connection with the administration
- 95 and enforcement of the oil and gas conservation laws of the State
- 96 of Mississippi and the rules, regulations and orders of the State
- 97 Oil and Gas Board issued thereunder. Disbursements shall be made
- 98 from such fund only upon requisition of the State Oil and Gas
- 99 Supervisor, as approved and allowed by the board, and which
- 100 requisitions shall be supported by itemized statements thereto
- 101 attached showing the purpose or purposes of such expenditures.

- 102 Such requisitions shall be drawn upon the State \* \* \* Fiscal
- 103 Officer, who shall issue a warrant upon \* \* \* the fund. Such
- 104 warrants so issued shall be paid by the State Treasurer upon
- 105 presentation.
- 106 (3) The State Oil and Gas Supervisor, as ex officio
- 107 secretary of the Oil and Gas Board, shall submit, within ten (10)
- 108 days, after the convening of each session of the Legislature, to
- 109 the Legislature a detailed report of all receipts, expenditures
- and balance on hand, of funds coming to the Oil and Gas Board from
- 111 any source whatsoever.
- 112 (4) In the event that at any particular time, the Oil and
- 113 Gas Conservation Fund contains an amount greater than Two Hundred
- 114 Thousand Dollars (\$200,000.00) more than the current fiscal year's
- 115 estimated budget, the amount of the excess may be used by the
- 116 board and at the board's discretion, to plug any oil or gas well,
- 117 including any Class II well, in the state \* \* \* that has been
- 118 determined by the board to represent an imminent threat to the
- 119 environment and \* \* \* that has been determined by the board to be
- 120 an "orphan" well.
- 121 (5) The board shall have the authority, in its discretion,
- 122 to use whatever legal means available to it to attempt to collect
- 123 any amounts so expended from any responsible party. Any amounts
- 124 so collected shall be returned to the Oil and Gas Board's
- 125 Emergency Plugging Fund created herein.

126	(6) Amounts of surplus in the Oil and Gas Conservation Fund
127	of over Two Hundred Thousand Dollars (\$200,000.00) shall be
128	transferred to a separate special fund of the Oil and Gas Board to
129	be known as the Emergency Plugging Fund, for the proper plugging
130	of wells pursuant to this section. The supervisor shall have the
131	authority, and it shall be his duty to transfer any amounts in the
132	Emergency Plugging Fund back to the Oil and Gas Conservation Fund
133	in the event and to the extent to which the Oil and Gas
134	Conservation Fund should at any time contain less than a Two
135	Hundred Thousand Dollars (\$200,000.00) surplus.

- or gas well in the state, including Class II wells, \* \* \* that has not been properly plugged according to the requirements of the statutes, rules and regulations governing same and for which a responsible party such as an owner or operator cannot be located or for which, for whatever reason, there is no other party \* \* \* that can be forced to plug the well.
- 143 Upon request of the State Oil and Gas Supervisor 144 and subject to the limitations set forth in Section 27-103-303(4), 145 the Director of the Department of Finance and Administration shall 146 transfer funds from the Capital Expense Fund to the State Oil and 147 Gas Board for the emergency plugging of any oil or gas well, including any Class II well, in the state that has been determined 148 149 by the board to represent an imminent threat to the environment and that has been determined by the board to be an "orphan" well. 150

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- 151 This subsection (8) shall stand repealed from and after July 1,
- 152 2021.
- 153 \* \* \*
- 154 **SECTION 4.** Section 53-3-13, Mississippi Code of 1972, is
- 155 amended as follows:
- 156 53-3-13. (1) Any person securing a permit to drill a well
- in search of oil or gas under the provisions of Section 53-3-11
- 158 shall pay to the Oil and Gas Supervisor a fee of Six Hundred
- 159 Dollars (\$600.00) upon and for the issuance of the permit. A
- 160 lesser sum may be paid if the State Oil and Gas Board shall adopt
- 161 a rule fixing the amount to be paid at a sum less than Six Hundred
- 162 Dollars (\$600.00). Any such permit, when issued and the fee paid
- 163 thereon, shall be good for a period of one (1) year from the date
- 164 thereof; and in the event drilling has commenced within one (1)
- 165 year, the permit shall be good for the life of the well commenced,
- 166 unless during the course of drilling or production the operator is
- 167 changed. In the event a change of operators from that listed in
- 168 the drilling permit is desired, the operator listed and the
- 169 proposed new operator shall apply to the State Oil and Gas Board
- 170 for authority to change operators on forms to be prescribed by
- 171 order of the State Oil and Gas Board. The fee for such change of
- 172 operators shall be One Hundred Dollars (\$100.00) per change, or
- 173 some lesser sum as may be fixed by order of the board.
- 174 (2) The State Oil and Gas Supervisor, as ex officio
- 175 Secretary of the State Oil and Gas Board, shall remit to the State

- 176 Treasurer all monies collected by reason of the assessments made,
- 177 fixed and authorized under the provisions of subsection (1) of
- 178 this section, and the State Treasurer shall deposit all such
- 179 monies in a special fund known as the "Oil and Gas Conservation
- 180 Fund."
- 181 \* \* \*
- SECTION 5. Section 53-11-23, Mississippi Code of 1972, is
- 183 amended as follows:
- 184 53-11-23. (1) (a) The board is authorized to adopt
- 185 regulations within its jurisdiction to assess sequestration fees
- 186 that shall be subject to the approval of the Legislature.
- 187 (b) Any monies collected shall be used exclusively:
- 188 (i) to pay the expenses and other costs connected with
- 189 administration and enforcement of this chapter and the rules,
- 190 regulations and orders of the board pursuant to this chapter; and
- 191 (ii) to fund the Carbon Dioxide Storage Fund established in this
- 192 chapter.
- 193 (c) Any per-ton fee shall first be applied to the
- 194 administration and enforcement costs of the board's activities
- 195 required or authorized by this chapter, and any amount exceeding
- 196 those costs shall be transferred to a separate special fund of the
- 197 State Oil and Gas Board which is hereby created and is to be known
- 198 as the Carbon Dioxide Storage Fund.
- 199 (d) Transfers to the Carbon Dioxide Storage Fund from
- 200 the per-ton fees shall be made monthly. Transfers from excess

- funds collected under subsection (1)(c) of this section may be
  made at any time in the fiscal year that the board shall determine
  appropriate. At the beginning of the following fiscal year after
  the transfer of the excess funds, the rate or rates to be
  collected under subsection (1)(c) of this section shall be reduced
  to reflect the excess from the prior year.
- 207 When the balance in the Carbon Dioxide Storage Fund 208 reaches or exceeds Two Million Five Hundred Thousand Dollars 209 (\$2,500,000.00) per geologic sequestration facility, the board 210 shall abate the per-ton fee, and may adjust the annual regulatory 211 fee as prescribed herein. The abatement shall be effective at the 212 beginning of the ensuing fiscal year. When the Carbon Dioxide 213 Storage Fund is reduced below Two Million Five Hundred Thousand 214 Dollars (\$2,500,000.00) per geologic sequestration facility, the per-ton fee shall again be imposed on all geologic storage 215 216 operators until such time as the fund shall reach or exceed Two 217 Million Five Hundred Thousand Dollars (\$2,500,000.00) per geologic sequestration facility. The imposition of the per-ton fee shall 218 219 be effective at the beginning of the ensuing fiscal year.
- 220 (f) Monies in the Carbon Dioxide Storage Fund created 221 in this chapter may be used in the board's discretion but only if 222 inadequate funds are available from responsible parties including 223 the financial assurance funds provided in Section 53-11-27(2). 224 Monies in the Carbon Dioxide Storage Fund shall only be used for 225 oversight of geologic storage facilities after cessation of

226	injection	at the	facility	and	release	of	the	facility	<b>'</b> S
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- 227 performance bond or other assurance of performance and as shall be
- 228 necessary or appropriate to satisfy the requirements of the
- 229 federal Safe Drinking Water Act, including, without limitation,
- 230 matters with respect to closed facilities such as: (i)
- 231 inspecting, testing and monitoring of the facility, including
- 232 remaining surface facilities and wells; (ii) repairing mechanical
- 233 problems associated with remaining wells and surface
- 234 infrastructure; and (iii) repairing mechanical leaks at the
- 235 facility.
- 236 (g) The Carbon Dioxide Storage Fund shall be used for
- 237 the purposes set forth in this chapter and for no other
- 238 governmental purposes, nor shall any portion of the fund ever be
- 239 available to borrow from by any branch of government, it being the
- 240 intent of the Legislature that this fund and its increments shall
- 241 remain intact and inviolate. Any interest earned on monies in
- 242 this fund shall remain in this fund and shall not lapse into the
- 243 General Fund.
- 244 (2) To facilitate the proper administration of the Class VI
- 245 underground injection control program within its jurisdiction, the
- 246 commission is authorized to assess and collect fees from Class VI
- 247 permit applicants for Class VI underground injection control wells
- 248 permitted by the permit board. The commission is further
- 249 authorized to promulgate rules and regulations for the assessment

- 250 and collection of permit fees for Class VI underground injection
- 251 control wells within its jurisdiction.
- 252 \* \* \*
- 253 **SECTION 6.** Section 27-104-205, Mississippi Code of 1972, is
- 254 amended as follows:
- 255 27-104-205. (1) From and after July 1, 2016, the expenses
- 256 of the following enumerated state agencies shall be defrayed by
- 257 appropriation of the Legislature from the State General Fund: the
- 258 State Fire Marshal, the State Fire Academy, the Office of
- 259 Secretary of State (not including the Preneed Contracts Loss
- 260 Recovery Fund), the Mississippi Public Service Commission, the
- 261 Mississippi Department of Information Technology Services, (not
- 262 including the Mississippi Department of Information Technology
- 263 Services Revolving Fund), the State Personnel Board, the
- 264 Mississippi Department of Insurance (not including the Municipal
- 265 Fire Protection Fund, Section 83-1-37, the County Volunteer Fire
- 266 Department Fund, Section 83-1-39, and the Mississippi Propane
- 267 Education and Research Fund, Section 75-57-119), the Mississippi
- 268 Law Enforcement Officers' Minimum Standards Board, the Mississippi
- 269 Gaming Commission, \* \* \* the Mississippi Department of Revenue -
- 270 License Tag, the Office of the State Public Defender, the
- 271 Mississippi Workers' Compensation Commission (not including the
- 272 Second Injury Trust Fund) and the Office of Attorney General.
- 273 Beginning July 1, 2016, any fees, assessments or other revenues
- 274 charged for the support of the above-named state agencies shall be

- 275 deposited into the State General Fund, and any special fund or
- 276 depository established within the State Treasury for the deposit
- 277 of such fees, assessments or revenues shall be abolished and the
- 278 balance transferred to the State General Fund. Expenses
- 279 heretofore drawn from such special funds or other depositories
- 280 shall be drawn from the agencies General Fund Account.
- 281 (2) Beginning with the fiscal year ending June 30, 2016, the
- 282 amount to be appropriated annually from the State General Fund for
- 283 the support of each of the above-named state agencies shall not
- 284 exceed the amount appropriated for such purpose in the preceding
- 285 fiscal year, plus any increases in or additional fees, assessments
- 286 or other charges authorized by act of the Legislature for the
- 287 succeeding fiscal year.
- 288 (3) The provisions of this section shall not apply to any
- 289 trust fund account that is maintained by any above-named agency.
- 290 (4) The provisions of this section shall not prohibit any of
- 291 the above-named agencies from maintaining clearing accounts in
- 292 approved depositories.
- 293 (5) The provisions of this section shall not apply to any
- 294 trust fund accounts maintained by the Public Employees' Retirement
- 295 System and protected under Section 272A of the Mississippi
- 296 Constitution of 1890.
- 297 **SECTION 7.** On the effective date of this act, an amount of
- 298 funds equal to the amount of funds previously transferred from the
- 299 special funds of the Mississippi State Oil and Gas Board to the

- 300 State General Fund in accordance with Section 27-104-205 shall be
- 301 transferred from the State General Fund to those special funds.
- 302 For the purposes of this section the special funds of the
- 303 Mississippi State Oil and Gas Board shall include those special
- 304 funds provided for in Sections 53-1-7, 53-1-73, 53-1-77, 53-3-13
- 305 and 53-11-23.
- 306 **SECTION 8.** Section 27-103-303, Mississippi Code of 1972, is
- 307 amended as follows:
- 308 27-103-303. (1) There is created in the State Treasury a
- 309 special fund, separate and apart from any other fund, to be
- 310 designated the Capital Expense Fund.
- 311 (2) The Capital Expense Fund shall not be considered as a
- 312 surplus or available funds when adopting a balanced budget as
- 313 required by law. The State Treasurer shall invest all sums in the
- 314 Capital Expense Fund not needed for the purposes provided for in
- 315 this section in certificates of deposit, repurchase agreements and
- 316 other securities as authorized in Section 27-105-33(d) or Section
- 317 7-9-103, as the State Treasurer may determine to yield the highest
- 318 market rate available. Interest earned on this fund shall be
- 319 deposited by the State Treasurer into the State General Fund.
- 320 (3) The Capital Expense Fund shall be used for capital
- 321 expense needs, repair and renovation of state-owned properties and
- 322 specific expenditures authorized by the Legislature. The
- 323 Legislature shall designate those capital expense projects, repair
- 324 and renovation projects and other authorized projects in an

325	appropriation act passed by the Legislature, which shall direct
326	the Director of the Department of Finance and Administration to
327	administer the projects.

In addition to the purposes specified in subsection (3) 328 (4)329 of this section, the Capital Expense Fund shall be used to provide 330 funds for emergency repairs on state-owned buildings and, until 331 July 1, 2021, for the emergency plugging of orphaned wells 332 identified by the Oil and Gas Board, upon requisition of the 333 Director of the Department of Finance and Administration. Whenever the director determines that funds are immediately needed 334 335 for emergency repairs on state-owned buildings or the Oil and Gas 336 Board, through the State Oil and Gas Supervisor, has requested 337 funds for the emergency plugging of orphaned wells identified by 338 the board, he shall requisition the funds needed from the Capital 339 Expense Fund, which shall be subject to the limitations set forth 340 in this subsection. At the same time he makes the requisition, 341 the director shall notify the Lieutenant Governor, the Speaker of 342 the House of Representatives, the respective Chairmen of the 343 Senate Appropriations Committee, the Senate Finance Committee, the 344 House Appropriations Committee and the House Ways and Means 345 Committee and the Legislative Budget Office of his determination 346 of the need for the funds, the amount that he has requisitioned 347 and where the funds will be used. If the amount requisitioned is 348 available in the Capital Expense Fund, is not allocated for any specific projects as authorized in subsection (3) of this section 349

350 and is within the limitations set forth below in this subsection, 351 then the director may escalate the budget of the Bureau of 352 Building, Grounds and Real Property Management or the Oil and Gas 353 Board to use the full amount of the requisitioned funds for the 354 emergency repairs or plugging of orphaned wells, and transfer that 355 amount to the bureau or board for that purpose. If the amount 356 requisitioned is more than the amount available in the Capital Expense Fund or above the limitations set forth below in this 357 358 subsection, then the director may escalate the budget of the bureau or board to use the amount that is available within the 359 360 limitations for the emergency repairs or plugging of orphaned 361 wells, and transfer that amount to the bureau or board for that 362 The maximum amount that may be transferred from the 363 Capital Expense Fund to the bureau or board for any single 364 emergency shall be One Million Dollars (\$1,000,000.00), and the 365 maximum amount that may be transferred to the bureau or board for 366 all emergencies during any fiscal year shall be Five Million 367 Dollars (\$5,000,000.00).

(5) Funds deposited in the Capital Expense Fund shall be used only for the purposes specified in this section, and as long as the provisions of this section remain in effect, no other expenditure, appropriation or transfer of funds in the Capital Expense Fund shall be made except by act of the Legislature making specific reference to the Capital Expense Fund as the source of those funds.

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- 375 (6) Unexpended funds in the Capital Expense Fund at the end
  376 of a fiscal year shall not lapse into the State General Fund but
  377 shall remain in the fund for use under this section. Any funds
  378 appropriated from the Capital Expense Fund that are unexpended at
  379 the end of a fiscal year shall lapse into the Capital Expense
  380 Fund.
- 381 **SECTION 9.** Section 25-9-127, Mississippi Code of 1972, is amended as follows:
  - 25-9-127. (1) No employee of any department, agency or institution who is included under this chapter or hereafter included under its authority, and who is subject to the rules and regulations prescribed by the state personnel system, may be dismissed or otherwise adversely affected as to compensation or employment status except for inefficiency or other good cause, and after written notice and hearing within the department, agency or institution as shall be specified in the rules and regulations of the State Personnel Board complying with due process of law; and any employee who has by written notice of dismissal or action adversely affecting his compensation or employment status shall, on hearing and on any appeal of any decision made in such action, be required to furnish evidence that the reasons stated in the notice of dismissal or action adversely affecting his compensation or employment status are not true or are not sufficient grounds for the action taken; provided, however, that this provision shall not apply (a) to persons separated from any department, agency or

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- institution due to curtailment of funds or reduction in staff when such separation is in accordance with rules and regulations of the state personnel system; (b) during the probationary period of state service of twelve (12) months; and (c) to an executive officer of any state agency who serves at the will and pleasure of the Governor, board, commission or other appointing authority.
- 406 (2) The operation of a state-owned motor vehicle without a
  407 valid Mississippi driver's license by an employee of any
  408 department, agency or institution that is included under this
  409 chapter and that is subject to the rules and regulations of the
  410 state personnel system shall constitute good cause for dismissal
  411 of such person from employment.
- 412 Beginning July 1, 1999, every male between the ages of 413 eighteen (18) and twenty-six (26) who is required to register 414 under the federal Military Selective Service Act, 50 USCS App. 415 453, and who is an employee of the state shall not be promoted to 416 any higher position of employment with the state until he submits 417 to the person, commission, board or agency by which he is employed 418 satisfactory documentation of his compliance with the draft 419 registration requirements of the Military Selective Service Act. 420 The documentation shall include a signed affirmation under penalty 421 of perjury that the male employee has complied with the 422 requirements of the Military Selective Service Act.
- 423 (4) For a period of two (2) years beginning July 1, 2014, 424 the provisions of subsection (1) shall not apply to the personnel

425 actions of the State Department of Education that are subject to 426 the rules and regulations of the State Personnel Board, and all 427 employees of the department shall be classified as nonstate 428 service during that period. However, any employee hired after 429 July 1, 2014, by the department shall meet the criteria of the 430 State Personnel Board as it presently exists for employment. The 431 State Superintendent of Public Education and the State Board of Education shall consult with the Office of the Attorney General 432 433 before taking personnel actions authorized by this section to 434 review those actions for compliance with applicable state and 435 federal law.

It is not the intention or effect of this section to include any school attendance officer in any exemption from coverage under the State Personnel Board policy or regulations, including, but not limited to, termination and conditions of employment.

- (5) (a) For a period of two (2) years beginning July 1, 2015, the provisions of subsection (1) shall not apply to the personnel actions of the Department of Corrections, and all employees of the department shall be classified as nonstate service during that period. However, any employee hired after July 1, 2015, by the department shall meet the criteria of the State Personnel Board as it presently exists for employment.
- (b) Additionally, for a period of one (1) year

  448 beginning July 1, 2016, the personnel actions of the Commissioner

  449 of the Department of Corrections shall be exempt from State

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- 450 Personnel Board rules, regulations and procedures in order to give
- 451 the commissioner flexibility in making an orderly, effective and
- 452 timely reorganization and realignment of the department.
- 453 (c) The Commissioner of Corrections shall consult with
- 454 the Office of the Attorney General before personnel actions
- 455 authorized by this section to review those actions for compliance
- 456 with applicable state and federal law.
- 457 (6) Through July 1, 2019, the provisions of subsection (1)
- 458 of this section shall not apply to the personnel actions of the
- 459 Department of Human Services that are subject to the rules and
- 460 regulations of the State Personnel Board, and all employees of the
- 461 department shall be classified as nonstate service during that
- 462 period. Any employee hired on or after July 1, 2019, by the
- 463 department shall meet the criteria of the State Personnel Board as
- 464 it presently exists for employment. The Executive Director of
- 465 Human Services shall consult with the Office of the Attorney
- 466 General before taking personnel actions authorized by this section
- 467 to review those actions for compliance with applicable state and
- 468 federal law.
- 469 (7) Through July 1, 2019, the provisions of subsection (1)
- 470 of this section shall not apply to the personnel actions of the
- 471 Department of Child Protection Services that are subject to the
- 472 rules and regulations of the State Personnel Board, and all
- 473 employees of the department shall be classified as nonstate
- 474 service during that period. Any employee hired on or after July

- 475 1, 2019, by the division shall meet the criteria of the State
- 476 Personnel Board as it presently exists for employment. The
- 477 Commissioner of Child Protection Services shall consult with the
- 478 Office of the Attorney General before taking personnel actions
- 479 authorized by this section to review those actions for compliance
- 480 with applicable state and federal law.
- 481 (8) Beginning July 1, 2019, through June 30, 2021, the
- 482 provisions of subsection (1) of this section shall not apply to
- 483 the personnel actions of the Oil and Gas Board that are subject to
- 484 the rules and regulations of the State Personnel Board, and all
- 485 employees of the board shall be classified as nonstate service
- 486 during that period. However, any employee hired from July 1,
- 487 2019, through June 30, 2021, by the board shall meet the criteria
- 488 of the State Personnel Board as it presently exists for
- 489 employment. The State Oil and Gas Supervisor shall consult with
- 490 the Office of the Attorney General before taking personnel actions
- 491 authorized by this section to review those actions for compliance
- 492 with applicable state and federal law.
- 493 ( \* \* \*9) Any state agency whose personnel actions are
- 494 exempted in this section from the rules, regulations and
- 495 procedures of the State Personnel Board shall file with the
- 496 Lieutenant Governor, the Speaker of the House of Representatives,
- 497 and the members of the Senate and House Accountability,
- 498 Efficiency \* \* \* and Transparency Committees an annual report no
- 499 later than July 1, 2016, and each year thereafter while under the

500	exemption. Such annual report shall contain the following
501	information:
502	(a) The number of current employees who received an
503	increase in salary during the past fiscal year and the amount of
504	the increase;
505	(b) The number of employees who were dismissed from the
506	agency or otherwise adversely affected as to compensation or
507	employment status during the past fiscal year, including a
508	description of such adverse effects; and
509	(c) The number of new employees hired during the past
510	fiscal year and the starting salaries of each new employee.
511	SECTION 10. This act shall take effect and be in force from

and after its passage.