

ADVISORY GROUP ON Efficiency and Benchmarking **PROPOSAL#:** AGEB # 14
SUBJECT: Interstate Cooperative Arrangements **DATE ADOPTED BY ADVISORY GROUP:** 8-24-09
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: To develop cooperative arrangements with Arkansas and Mississippi which would identify and explore creative, synergistic opportunities to make the operation of state government and the provision of state government services more cost effective and efficient.

Summary Description/Nature of Change	Key Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/Study
Develop cooperative arrangements with Arkansas and Mississippi which would identify and explore creative, synergistic opportunities to make the operation of state government and the provision of state government services more cost effective and efficient.	Legislature	To save money by buying goods and services in bulk and collaborating on similar initiatives.	Statutory		

The states of Louisiana, Mississippi and Arkansas enjoy many similarities, including commonalities in government programs and the provision of state government services. All three states anticipate large future budget shortfalls and face similar challenges meeting demands for state services with declining revenues, as well. The Louisiana Streamlining Government Commission recommends to the Louisiana Legislature that Louisiana invite Mississippi and Arkansas to join with Louisiana in identifying and exploring creative opportunities to make the operation of our state governments and the provision of state government services cheaper and more efficient. The Commission believes that cooperative arrangements between and among similar agencies in each state could result in significant improvements to the delivery and cost effectiveness of state services. Under these cooperative arrangements, the department head of each department of Louisiana state government would meet with his counterpart in Mississippi and Arkansas state government to identify specific activities, programs and services within each department for potential cooperative service arrangements through which the states could save money and improve services by working together across state lines. Areas that could offer significant efficiencies and savings through cooperative efforts include:

1. Joint Procurement: the states may be able to pool their purchasing power to save money on purchased goods or services, such as pharmaceutical products, heavy equipment, institutional food and software.
2. Cross Border Collaboration: sharing common borders, Louisiana, Mississippi and Arkansas may be able to identify numerous opportunities to be more effective and more efficient by working together and sharing resources along their common borders. Potential activities for cross border collaboration could include invasive pest control, coordination of rail needs, water quality protection and improvement and the promotion of tourism.

3. Information and Technology Systems: the states may be able to share, develop and leverage IT resources to improve government and lower costs. Potential areas of collaboration include tax collections, child support enforcement and licensing services.
4. Shared Resources: by sharing resources, the states may be able improve their utilization or unit cost. Potential areas of collaboration would include sharing aircraft, patrol boats, warehouse space, call centers, collection operations, licensing functions and communications power sites.
5. Reciprocity: there may be opportunities for the states to improve government and save money by making borders permeable by citizens of the three states in some instances, and by making regulatory issues related to the border more efficient, such as oversized truck permitting, dairy inspections and cooperative agreements for child welfare.