

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 617** HLS 15RS 583

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

**REVISED**

<b>Date:</b> May 1, 2015	12:04 PM	<b>Author:</b> MORRIS, JIM
<b>Dept./Agy.:</b>		<b>Analyst:</b> Travis McIlwain
<b>Subject:</b> Funds		

FUNDS/FUNDING OR SEE FISC NOTE SD RV See Note Page 1 of 1  
 (Constitutional Amendment) Prohibits the transfer or appropriation of money out of a fund except as authorized by the constitutional or statutory provisions for the fund  
 Proposed constitutional amendment prohibits the appropriation or transfer of money out of a dedicated fund for a purpose inconsistent with the constitutional or statutory provision establishing the purpose and use of the dedicated fund.

Proposed constitutional amendment provides for submission to the voters at the statewide election to be held October 24, 2015.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The proposed constitutional amendment will be considered by voters at the statewide election to be held on October 24, 2015. The Secretary of State may incur minimal ballot printing costs associated with this measure. However, as a regular practice, the Secretary of State typically budgets for up to 10 constitutional amendments for the fall statewide elections.

**REVENUE EXPLANATION**

The proposed constitutional amendment will effectively eliminate "funds sweeps" from the budget development process, which may limit the options for resources that may be utilized to provide state services contained within the operating budget. Over the past several fiscal years of budget development, funds sweeps have consisted of approximately \$90 million to \$260 million in particular years depending upon the number of funds impacted and the availability of resources within the impacted funds.

As a current example, in the FY 16 budget proposal there is approximately \$86 million of various proposed funds sweeps (HB 566 of 2015) that are currently being proposed to offset FY 15 mid-year reductions and to provide funding for FY 16 operating services. If the use of these resources were prohibited by a bill such as this, alternative financing would have to be generated to support the FY 16 budget or the FY 16 budget proposal would have to be reduced.

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|---|--|--------------------------------|--|
| <input type="checkbox"/> Senate   | <input type="checkbox"/> Dual Referral Rules | <input type="checkbox"/> House | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       |  |                                | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}                 |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} |  |                                | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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