

LEGISLATIVE FISCAL OFFICE Fiscal Note

SB **400** SLS 18RS 203 Fiscal Note On:

Bill Text Version: ENGROSSED

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For .:

Date: April 25, 2018 1:36 PM **Author:** HEWITT & EDMONDS

Dept./Agy.: Legislature

Analyst: Alan M. Boxberger Subject: Dedicated Fund Review Subcommittee of the JLCB

FUNDS/FUNDING EG SEE FISC NOTE GF RV See Note Provides for certain funds in the state treasury and the powers, duties, functions, and responsibilities of the Dedicated Fund Review Subcommittee of the Joint Legislative Committee on the Budget. (gov sig)

Present law directs the Division of Administration, no later than 10/1/2017 and every 2 years thereafter, to submit a plan of special funds and dedications to the Joint Legislative Committee on the Budget (JLCB) to consist of at least 50% of special funds. The list is reviewed by the Subcommittee, resulting in a recommendation for each specified fund in the plan. Proposed law retains present law but changes the timeframe from every 2 years to every year and removes the provision that the subcommittee shall meet only on a day in which JLCB is scheduled to convene.

Proposed law eliminates 37 statutory dedications and specifies that balances and future deposits will accrue to the SGF. Proposed law eliminates 4 statutory dedications and causes the balances to accrue to an alternate statutory dedication, or in the case of 1 of the 4, be appropriated to a specific department. Proposed law reclassifies 11 statutory dedications as "accounts" and designates the revenues to accrue to corresponding agencies as SGR rather than statutory dedications.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Ded./Other	\$0	\$0	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	INCREASE	INCREASE	INCREASE	\$0
Agy. Self-Gen.	\$0	\$0	INCREASE	INCREASE	INCREASE	\$0
Ded./Other	\$0	\$0	DECREASE	DECREASE	DECREASE	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

EXPENDITURE EXPLANATION

Proposed law eliminates certain statutory dedications and reclassifies others as "accounts" to be considered SGR beginning in FY 21, actions which will not result in a net change in state expenditures but will shift expenditures currently paid from specific statutory dedications to be paid from the SGF, SGR or alternate statutory dedications dependent upon legislative appropriation and priorities.

Proposed law changes the Hunters for the Hungry Account within the Conservation Fund to an escrow fund in FY 21 to receive deposits of donations for the benefit of Hunters for the Hungry made when an individual purchases a fishing and hunting license. Proposed law limits the use of monies deposited into the Louisiana Economic Development Fund to be used only for the FastStart Program beginning in FY 21.

Proposed law may result in an indeterminable increase in SGF expenditures to the extent that the Dedicated Fund Review Subcommittee of the Joint Legislative Committee on the Budget meets more frequently than under present law, or if the Subcommittee meets outside of dates coinciding with regular meetings of the JLCB. The legislative per diem rate of \$164 and the cost of related benefits (7.65% includes FICA 6.2% and Medicare 1.45%) is approximately \$13, for a daily cost of approximately \$177/day for each member. It would cost \$2,478 per day for 14 legislators to attend meetings plus mileage reimbursement, which is approximately \$0.545 per mile. However, the impact on expenditures is indeterminable and will depend upon mileage of the members and the number of meeting days held, and the actions taken by the Subcommittee. Note: Since September 2017, the Subcommittee met 11 times, coinciding with JLCB meeting dates or regular legislative session dates. To the extent that the Subcommittee meets on days in which the JLCB is scheduled to convene, there will be no additional cost in expenditures.

REVENUE EXPLANATION

Proposed law does not increase or decrease revenue to the state, but will change classification of monies deposited in the treasury and result in a dollar for dollar decrease in recurring revenues deposited into certain dedications and increasing the SGF, SGR or alternate dedications by an equal amount.

Proposed law repeals certain statutorily created funds in the treasury and transfers the balances in the funds to the SGF. Proposed law reclassifies certain statutorily created funds in the treasury and transfers the balances in the funds into "accounts" to be considered SGR. Proposed law, in limited instances, repeals certain statutorily created funds in the treasury and transfers the balances in the funds into other statutory dedications. The treasurer is directed to transfer any remaining balances as directed by proposed law after satisfying the appropriations for FY 19. The treasury assumes estimated fund balances will be transferred during FY 19 closeout, as well as annual estimated revenue projections beginning in FY 20 and beyond. The corpus in the funds repealed and abolished will be transferred as directed in proposed law.

On the following page, statutory dedications are reported in three categories: elimination and transfer to SGF, elimination and transfer to statutory dedication (or other purpose), and reclassify as account and transfer to SGR. Proposed law's adjustments to statutory dedications will be effective on July 1, 2020, beginning in FY 21. The REC does not estimate statutory dedications beyond the upcoming fiscal year (FY 20). This fiscal note reports the balance as of 4/17/18 and projected revenue collections in FY 19 for informational

SEE REVENUE EXPLANATION CONTINUED ON PAGE 2

<u>Senate</u>	Dual Referral Rules	House	6	Brasseaux
X 13.5.1 >=	\$100,000 Annual Fiscal Cost {S&H}			
	\$500,000 Annual Tax or Fee Change {S&H}	6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Evan Brassea Staff Director	



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CONTINUED EXPLANATION from page one: REVENUE EXPLANATION CONTINUED FROM PAGE 1

x 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

13.5.2 >= \$500,000 Annual Tax or Fee

Change {S&H}

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CONTINUED EXPLANATION from page one: REVENUE EXPLANATION CONTINUED FROM PAGE 1		rage 2 or 2
Elimination of Statutory Dedications - Transfer to SGF	Balance on 4-17-18	REC estimate FY 19
2013 Amnesty Collections Fund Academic Improvement Fund	\$7,705 -	-
Atchafalaya Basin Conservation Fund	-	-
Barrier Island Stabilization & Preservation Fund	-	-
Bogalusa Health Services Fund	-	-
Brownsfield Cleanup Revolving Loan Fund	-	-
Center of Excellence for Autism Spectrum Disorder Fund Community Hospital Stabilization Fund	- \$7,755	
Competitive Core Growth Fund	ψ7,733 -	-
Crime Victims Reparation Fund	\$3,086,951	\$4,100,000
Debt Service Assistance Fund	-	-
LDH Facility Support Fund Department of Revenue Alcohol & Tobacco Control Fund	-	-
Evangeline Parish Recreation District Support Fund	-	- -
Fiscal Administrator Revolving Loan Fund	-	-
FMAP Stabilization Fund	-	-
Health Care Redesign Fund	\$680	-
Health Trust Fund Higher Education Financing Fund	\$1,225,126	\$6,540,000
Higher Education Initiatives Fund	\$148,332	-
Incentive Fund	-	-
Innocence Compensation Fund	\$10,421	\$320,000
Louisiana Indigent Parent Representation Program Fund	\$5,795,828	\$1,700,000
Medicaid Trust Fund for the Elderly MediFund	\$14,825,564 -	\$26,410,000
New Orleans Public Safety Fund	\$5,688	- -
New Orleans Urban Tourism and Hospitality Training in	\$202,590	\$100,000
Economic Development Fund		
Payments Towards the UAL Fund	\$7,405	-
Pet Overpopulation Fund Reptile & Amphibian Research Fund	- \$10,680	- \$50,000
Science, Technology, Engineering, and Math (STEM)	-	-
Upgrade Fund		
Sickle Cell Fund	-	-
SNAP Fraud and Abuse Detection and Prevention Fund Specialized Educational Institutions Account of the Unfunded	\$8,386	\$10,000
Accrued Liability and Specialized Educational	-	_
Institutions Support Fund		
Tobacco Tax Medicaid Match Fund	\$8,866,714	-
UNO Slidell Technology Park Fund	- #01.00	-
Workforce and Innovation for a Stronger Economy Fund	\$81.80	-
Elimination of Statutory Dedications - Transfer to Other Statut	tory Dedications (or oth	er purpose)
Louisiana Help Our Wildlife Fund	\$24,149	\$10,000
 Remains in the Conservation Fund beginning FY 21 Saltwater Fishery Enforcement Fund 	\$1,337	\$10,000
- Remains in the Conservation Fund beginning FY 21	\$1,557	\$10,000
Shrimp Trade Petition Account	\$80,442	\$10,000
- Remains in the Conservation Fund beginning FY 21		
Crescent City Amnesty Refund Fund	\$122,937	TD. <u>Proposed law</u> does not specify a purpose or MOF.
- If a balance remains in F4 21, the balance will be tra	insterred for use by DO	TD. Proposed law does not specify a purpose of MOF.
Reclassification of Statutory Dedications to Accounts - Transfe	r to SGR	
Administrative Fund of the Department of Insurance	-	\$950,000
Louisiana Alligator Resource Fund	\$4,915,774	\$2,600,000
Emergency Medical Technician Fund	\$65,240	\$10,000
Environmental Trust Fund Louisiana Bicycle and Pedestrian Safety Fund	\$8,696,543 \$20,789	\$78,000,000 \$10,000
Motorcycle Safety, Awareness and Operator Training	\$134,912	\$310,000
Program Fund		
Municipal Fire and Police Civil Service Operating Fund	\$528,618	\$2,430,000
Pesticide Fund Proprietary School Student Protection Fund	\$2,355,192	\$5,400,000 #300,000
Proprietary School Student Protection Fund Sex Offender Registry Technology Fund	\$1,184,502 \$523,124	\$200,000 \$1,000,000
Youthful Offender Management Fund	\$43,897	\$170,000
-		
Senate Dual Referral Rules House		0 -
) >= \$100,000 SGF Fiscal	Cost (H&S) Evan Brasseaux
$ \mathbf{A} $ 13.3.1 \sim - \$100,000 Alliqual Fiscal Cost $\{30\Pi\}$ $[0.8(F)(1$	/ ~ - \$100,000 3GF FISCAL	

or a Net Fee Decrease {S}

6.8(G) >= \$500,000 Tax or Fee Increase

Evan Brasseaux

Staff Director