



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 41** SRS 00E- 178
 Bill Text Version: **ENROLLED**
 Opp Chamb Action:
 Sub Bill For:
 Proposed Amd:

Date: April 7, 2000 4:33 PM **Author:** C ROMERO
Dept/Agy: Treasury **Analyst:** Greg Albrecht
Subject: Capital Outlay Escrow Account Interest

CAPITAL OUTLAY

Changes Capital Outlay Act to increase cap on interest earnings for FY 1999-2000 which may be used to complete projects for which an appropriation was insufficient. (gov sig)

The capital outlay acts allow up to \$5 million of interest earned by the Comprehensive Capital Outlay Escrow Account to be used to fund projects contained in the current act and prior acts if certain conditions apply.

This bill amends the current capital outlay act to allow up to \$6,060,329 of interest earnings to be used for projects if certain conditions apply. This increases the cap on the use of interest by \$1,060,329 for FY00.

EXPENDITURES	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>5 YEAR TOTAL</u>
State General Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Stat. Deds./Other	\$0	\$0	\$0	\$0	\$0	\$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	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>5 YEAR TOTAL</u>
State General Fd.	(\$1,060,329)	\$0	\$0	\$0	\$0	(\$1,060,329)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Stat. Deds./Other	\$0	\$0	\$0	\$0	\$0	\$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	(\$1,060,329)	\$0	\$0	\$0	\$0	(\$1,060,329)

EXPENDITURE EXPLANATION:

There is no anticipated direct effect on expenditures as a result of this measure.

REVENUE EXPLANATION:

This bill will reduce interest earnings that are credited to the state general fund and are included in the official revenue estimate for support of general fund-direct appropriations in the operating budgets of the state. The official state revenue estimate includes an estimate of interest earnings that are credited to the state general fund. This estimate is the net of gross earnings less earnings anticipated to be credited to various special funds, allocations, or authorized uses. The use for projects of a certain amount of interest earned by the Comprehensive Capital Outlay Escrow Account is one of these anticipated deductions from gross earnings. In recent years authorizations of this kind have not exceeded the existing \$5 million cap (\$1.2 million in FY98 and \$2.5 million in FY99). However, year-to-date through March 17, 2000, the Treasury has processed nearly \$3.4 million of authorizations and the Office of Facility Planning in the Division of Administration reports that virtually all of the current cap is authorized this fiscal year. This bill will raise the current year cap for a particular project and effectively reduce state general fund interest earnings that would be available to support the operating budgets of the state.

NOTE: the impact of this bill is in FY00 and not in FY01 as displayed in the table above.

Dual Referral Rules

Senate

13.5.1 >= \$500,000 Annual Fiscal Cost

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

House

6.8(F) >= \$500,000 Annual Fiscal Cost

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease per year

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