

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 486** HLS 19RS 930

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 1, 2019	6:45 PM	Author: CARTER, G.
Dept./Agy.:		Analyst: Greg Albrecht
Subject: Budget Stabilization Fund Use For Declared Disasters		

FUNDS/FUNDING

EG SEE FISC NOTE SD RV See Note

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Allows for the use of the Budget Stabilization Fund for the state costs associated with a declared disaster

Present law requires deposits into the The Budget Stabilization Fund of revenue in excess of the expenditure limit, calculated excess mineral revenue, the greater of \$25 million per year from any source or 25% of officially designated non-recurring revenue, and any monies appropriated into the Fund by the legislature. Proposed law will require monies received from the federal government for cost reimbursements associated with federally declared disasters, limited to amounts appropriated out of the Fund for costs of the same disaster. Present law allows limited withdrawals from the Fund to cover current and subsequent year deficit projections. Proposed law would allow limited withdrawals for the costs of federally declared disasters.

Effective July 1, 2019.

EXPENDITURES	2019-20	2020-21	2021-22	2022-23	2023-24	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2019-20	2020-21	2021-22	2022-23	2023-24	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					
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>	\$0
Annual Total						

EXPENDITURE EXPLANATION

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

REVENUE EXPLANATION

The bill allows limited use of Budget Stabilization Fund (BSF) resources to finance costs across agencies associated with federally declared disasters, before federal disaster assistance cost reimbursement resources are received by the state. Once received, those federal monies then replenish the withdrawal from the BSF. Without regard to timing, the effect on the BSF would be neutral, assuming withdrawals were fully reimbursed by the federal government. Otherwise, a net reduction in BSF resources would occur. Considering timing, BSF replenishment from federal cost reimbursement may take some time, during which BSF resources available for non-disaster budget support are diminished.

Senate

Dual Referral Rules

House

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

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

John D. Carpenter
Legislative Fiscal Officer