

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



Fiscal Note On: **HB 286** HLS 19RS 107

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 5, 2019	3:36 PM	<b>Author:</b> HENRY
<b>Dept./Agy.:</b>		<b>Analyst:</b> Greg Albrecht
<b>Subject:</b> Transfer to Budget Stabilization Fund		

FUNDS/FUNDING OR SEE FISC NOTE SD RV Page 1 of 1  
Provides for the transfer, deposit, and use of monies among state funds

The bill directs the treasurer to transfer out of the state general fund \$77,013,301, and into the Budget Stabilization Fund. These funds are to be wholly comprised of non-recurring revenues recognized by the Revenue Estimating Conference from the FY18 surplus.

Effective upon governor's signature.

<b>EXPENDITURES</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>5 -YEAR TOTAL</b>
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Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

The state constitution requires 25% of designated non-recurring revenue be deposited into the Budget Stabilization Fund. On April 10, 2019, the Revenue Estimating Conference recognized \$308.053 million of surplus from FY18, and designated these funds as non-recurring. Twenty-five percent of this total is \$77,013,301 million. This amount is to be transferred by the treasurer from the state general fund to the Budget Stabilization Fund. This bill is effective upon the governor's signature, and this transfer will presumably be recorded as an FY19 transaction.

Of the remaining FY18 surplus, at least 10% (\$30.805 million) is constitutionally allocated to the unfunded accrued liabilities of the state employees' and teachers' retirement systems. The balance (\$200.235 million) is constitutionally available for other enumerated debt payoff and capital outlay uses.

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**John D. Carpenter**  
**Legislative Fiscal Officer**