

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



Fiscal Note On: **HB 286** HLS 19RS 107  
 Bill Text Version: **REENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 15, 2019 1:27 PM	<b>Author:</b> HENRY
<b>Dept./Agy.:</b> Treasury	<b>Analyst:</b> Greg Albrecht
<b>Subject:</b> Transfer to Budget Stabilization Fund	

FUNDS/FUNDING RE SEE FISC NOTE SD RV See Note 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, and \$55M into the Coastal Protection and Restoration Fund. Both of these allocations are to be wholly comprised of non-recurring revenues recognized by the Revenue Estimating Conference from the FY18 surplus. Transfers from the state general fund, totaling \$9M: to the Fiscal Administrator Revolving Loan Fund (\$500,000), the Utility and Carrier Inspections and Supervision Fund (\$2M), the Motor Fuels Underground Storage Tank Trust Fund (\$1.5M), the Higher Education Initiatives Fund (\$4M), and the LA Jobs Now Fund (\$1M). Creates the New Orleans Ferry Fund and dedicates registration and license fees and taxes collected from trucks and trailers in Orleans Parish to the Fund from FY20 and thereafter. Recreates the New Orleans Ferry Fund to receive registration and license fees and taxes collected on trucks and trailers in Orleans Parish to support ferry services. Creates the Regional Maintenance and Improvement Fund to receive 50% of registration and license fees and taxes collected on trucks and trailers in Jefferson, St. Charles, St. John the Baptist, Tangipahoa, and St. Tammany parishes to support maintenance and improvements of state highways in those parishes. The balance of collections are deposited into the Transportation Trust Fund. 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>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW					
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>						

**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 \$308.053M of surplus from FY18, and designated these funds as non-recurring. Twenty-five percent of this total is \$77,013,301. This amount is to be transferred by the treasurer from the state general fund to the Budget Stabilization Fund. Of the remaining FY18 surplus, at least 10% (\$30.805M) is constitutionally allocated to the unfunded accrued liabilities of the state employees' and teachers' retirement systems. Of the balance (\$200.235M), the bill allocates \$55M to the Coastal Protection and Restoration Fund, and the rest is constitutionally available for other enumerated debt payoff and capital outlay uses. The bill is effective upon the governor's signature, and these one-time transfers will presumably be recorded as FY19 transactions.

The bill also allocates \$9M of state general fund direct resources to various special funds: the Fiscal Administrator Revolving Loan Fund (\$500,000), the Utility and Carrier Inspections and Supervision Fund (\$2M), the Motor Fuels Underground Storage Tank Trust Fund (\$1.5M), the Higher Education Initiatives Fund (\$4M), and the LA Jobs Now Fund (\$1M). These monies are presumably from the FY19 excess revenue forecast recognized at the 4/10/19 REC meeting. The bill is effective upon the governor's signature, and these one-time transfers will presumably be recorded as FY19 transactions.

Registration and license fees and taxes collected on trucks and trailers in Orleans, Jefferson, St. Charles, St. John the Baptist, Tangipahoa, and St. Tammany parishes (approximately \$13M, Highway Fund #2 receipts) are allocated to Highway Fund #2 (50%, approximately \$6.5M), to the recreated New Orleans Ferry Fund (expired 6/30/18, approximately \$1.1M), to the Transportation Trust Fund (50% of the balance, approximately \$2.7M), and to the newly created Regional Maintenance and Improvement Fund (50% of the balance, approximately \$2.7M). These funds, in their entirety, are currently dedicated and this bill will reallocate these funds among dedications on an ongoing basis.

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**