

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 437** HLS 13RS 1102

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 23, 2013	8:21 AM	Author: HARRIS
Dept./Agy.:		Analyst: Travis McIlwain
Subject: State Budget Development		

BUDGETARY CONTROLS EG SEE FISC NOTE GF EX See Note Page 1 of 1
Provides with respect to the development of the budget

Proposed bill provides for the Revenue Estimating Conference (REC) to include all funds as defined by Article VII, Section 10 (J) of the Constitution, which defines funds as the state general fund and dedicated funds deposited into the state treasury. Proposed bill provides that to the extent that money supporting appropriations consists of the balance in any fund, the REC estimate of such balance shall be certified by the state treasurer. Proposed bill provides that any money the conference may designate as nonrecurring money available for appropriation from any source that has not been available for appropriation for the preceding 2 fiscal years or which will not be available for appropriation for the succeeding 2 fiscal years. Proposed bill provides that the executive budget and the appropriations bill shall not include recommendations for appropriations from any fund in excess of the official forecast of money available for appropriation from that fund. Effective July 1, 2013.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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>	<u>\$0</u>
Annual Total						

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. To the extent the legislation ultimately results in the REC estimating monies from all dedicated funds, there may be a significant increase in workload for the Office of Planning and Budget and the Legislative Fiscal Office as there are over 400 statutorily dedicated funds. Economists in these offices currently present a forecast for the state general fund and only a small number of dedicated funds. The extent of the additional workload will depend on the forecasting/projection methods employed.

This bill further provides that the general appropriation bill and other appropriation bills shall not appropriate any funds that are not part of the official revenue forecast. Thus, there could likely be fewer resources available for operating expenditures unless such resources have been considered by REC and designated as recurring resources.

REVENUE EXPLANATION

Proposed bill provides that the REC designate as nonrecurring money available for appropriation from any source that has not been available for the preceding 2 fiscal years or which will not be available for the succeeding 2 fiscal years. To the extent this law was currently in place, some significant examples of funding resources supporting the FY 14 budget that could be designated as nonrecurring include: \$47 million - various property sales, \$100 million - Morial Convention Center.

Note: The same item can be deemed nonrecurring and recurring in subsequent periods. For example, if Morial Convention Center resources are utilized again in FY 15, based upon the proposed bill these resources would likely be deemed as recurring by the REC because it would be 3 fiscal years in a row the state budget has utilized Convention Center resources (FY 13 - \$20 million, FY 14 - \$100 million proposed).

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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