

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 620** HLS 13RS 161
 Bill Text Version: **RE-REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: **REVISED**

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Dept./Agy.:	Analyst: Travis McIlwain
Subject: State Operating Budget	

BUDGETARY CONTROLS RR SEE FISC NOTE GF RV See Note Page 1 of 1
 Provides with respect to the development of the state operating budget

Proposed bill provides for the legislative auditor to review the executive budget and determine whether the budget recommends appropriations out of the state general fund and dedicated funds for the next fiscal year for health care and for higher education in amounts less than the appropriations enacted for each purpose for the current fiscal year. Such calculation shall occur within 7 days of the governor's submission of the executive budget to the JLCB. Current law provides for the contents and format of the executive budget (R.S. 39:36). Proposed law provides for a listing of items that are considered nondiscretionary that should be listed in the executive budget. Proposed bill provides for the executive budget to include comparative statements for higher education and for health care by state general fund and dedicated fund expenditures for the ensuing fiscal year. Proposed legislation provides for the governor to submit an appropriations bill with 2 separate recommendations for discretionary & nondiscretionary if the state general fund and dedicated funds recommendation for higher education and health care is less than enacted in prior year.

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

EXPENDITURE EXPLANATION

The proposed bill provides for the potential of the General Appropriations Bill to have a discretionary section and nondiscretionary section. If the proposal from state general fund and dedicated funds for health care and higher education are less in the executive budget than what was previously appropriated in the last legislative session, then the governor will be required to provide separate recommendations for discretionary and nondiscretionary expenditures within HB 1. All fiscal staffs will be required to track and analyze 2 different sections within the General Appropriation Bill, which will likely result in an indeterminable increase in workload. The table below reflects the analysis to be completed as per this legislation.

DHH	SGF	Dedicated Funds	Total
FY 13 Approp. Letter	\$1,899,986,459	\$524,521,397	\$2,424,507,856
FY 14 Exec. Budget	<u>\$2,472,209,864</u>	<u>\$424,557,369</u>	<u>\$2,896,767,233</u>
Difference	\$572,223,405	(\$99,964,028)	\$472,259,377

Higher Education	SGF	Dedicated Funds	Total
FY 13 Approp. Letter	\$993,591,143	\$192,349,749	\$1,185,840,892
FY 14 Exec. Budget	<u>\$284,542,534</u>	<u>\$778,133,997</u>	<u>\$1,062,67,531</u>
Difference	(\$709,048,609)	\$585,784,248	(\$123,264,361)

Note: DHH and Higher Education budget numbers above include only those agencies in schedule 9 and 19.

Based upon the table above, if this statutory change were currently in place, due to the FY 14 Executive Budget Recommendation for higher education being approximately \$123.3 million less than FY 13, there would be 2 sections within the GAB.

This bill is contingent upon the approval of the following HBs: HB 434, HB 435, HB 436, & HB 437 of the 2013 Regular Legislative Session. Also, this bill is contingent upon the passage of the following revenue measures: HB 456,474,571,653 and 696. In addition, this bill is also contingent upon the passage of the General Appropriations Bill, HB 1.

REVENUE EXPLANATION

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

<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}

John D. Carpenter
 Legislative Fiscal Officer