

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



Fiscal Note On: **HB 443** HLS 17RS 498  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 11, 2017 1:46 PM	<b>Author:</b> STOKES
<b>Dept./Agy.:</b>	<b>Analyst:</b> Benjamin Vincent
<b>Subject:</b> Dedication of revenue to Office of State Inspector General	

FUNDS/FUNDING OR -\$2,000,000 GF RV See Note Page 1 of 1  
 (Constitutional Amendment) Dedicates revenue to fund the inspector general's office

Proposed law directs the establishment of the Inspector General Fund within the state treasury as a dedicated, recurring source of revenues. A deposit of \$2,000,000 from revenues received from sales and use taxes is to be made in FY19. In each subsequent year the amount deposited is to be the prior year's amount adjusted by the increase in the Consumer Price Index for All Urban Consumers (CPI-U), United States city average, as prepared by the U.S Dept. of Labor, Bureau of Labor Statistics (BLS) for the preceding calendar year. Unused balances and interest earnings remain in the fund, and money in the fund shall only be appropriated for purposes of funding the Office of State Inspector General, and the activities of that office.

To be submitted to the electors at the statewide election to be held on October 14, 2017.

<b>EXPENDITURES</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</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>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	(\$2,000,000)	(\$2,060,000)	(\$2,110,000)	(\$2,160,000)	<b>(\$8,330,000)</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$2,000,000	\$2,060,000	\$2,110,000	\$2,160,000	<b>\$8,330,000</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>

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

This bill authorizes the dedication of State General Fund (SGF) revenues associated with sales and use tax collections into the Inspector General Fund. An amount of \$2,000,000 is to be allocated starting in FY19, and the amount allocated into the fund is to be adjusted by the increase in the CPI-U for each subsequent fiscal year.

Revenue Impacts in future years are estimated by applying Moody's forecast for CPI-U, which is applied to the \$2,000,000 in FY19 and re-applied each subsequent fiscal year. This yields the revenue impacts listed above. As the first deposits into the fund are directed to be in FY19, there are no fiscal impacts for FY18.

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}

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