

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

SB 98 Reengrossed

2017 Regular Session

Donahue

Present law provides for the definitions of words used in Title 39 of the Revised Statutes.

Proposed law retains present law and amends the definition of "incentive expenditures" or "incentive expenditure programs" to mean the reductions of and payments from current tax collections because of payments to businesses and individuals for the refund, rebate, or transferable credits granted through either an incentive contract between the state or an agency of the state and a specific recipient, or certification or approval of a specific recipient by the state or an agency of the state. Proposed law retains list of incentive benefit statutes included in present law.

Present law provides that the Revenue Estimating Conference shall establish a forecast of incentive expenditure programs for each fiscal year, which shall include a forecast of the amount of payments from and reductions of current tax collections to be granted by incentive expenditure programs.

Proposed law retains present law and requires each department that administers an incentive benefit program to give a report on the program at each meeting of the Revenue Estimating Conference.

Proposed law provides that in developing the incentive expenditure estimate for each tax benefit program, each state agency which administers an incentive expenditure program, shall coordinate and implement procedures for developing the estimate. Further provides for items that may be considered in the estimating procedures.

Present law provides that the governor shall cause to be prepared an executive budget presenting a complete financial and programmatic plan for the ensuing fiscal year which shall include recommendations for appropriations from the state general fund and dedicated funds which shall not exceed the official forecast of the Revenue Estimating Conference.

Proposed law retains present law and further provides that the executive budget for Fiscal Year 2018-2019 and each fiscal year thereafter shall include a listing of all incentive expenditure programs by department, including the incentive expenditure forecast as adopted for the current fiscal year by the Revenue Estimating Conference.

Proposed law requires the incentive expenditure programs to be stated as a separate description in the program activities of the respective department, agency, or authority of the state which administers the incentive expenditure. Such incentive expenditures shall not be included as, nor counted towards the operating expenses of the relevant department, agency, or authority.

Present law provides for the contents and format of executive budget.

Proposed law retains present law and further provides that the executive budget for Fiscal Year 2018-2019 and each fiscal year thereafter, the general appropriation bill, and other appropriation bills shall include a listing of all incentive expenditure programs by department, including the incentive expenditure forecast as adopted for the current fiscal year by the Revenue Estimating Conference.

Present law provides that after the passage of the appropriation and revenue acts, but not later than October first of each year, the governor shall cause to be prepared a complete state budget for the fiscal year. The budget so prepared shall include all the details of the financial plan for the fiscal year, as to both expenditures and means of financing as presented in the executive budget, with such revision as may be necessary to bring them into conformity with

the appropriation and revenue acts and other acts to provide means of financing, and with the legislative provisions in effect, governing administration of the budget.

Proposed law retains present law but further provides that the budget so prepared for Fiscal Year 2018-2019 and each fiscal year thereafter shall include a statement of total incentive expenditure programs and a statement of incentive expenditure programs by department.

Effective July 1, 2017.

(Amends R.S. 39:2(15.1)(intro para), 24.1(A), (C), and (E)(3), 34(A), 51(A)(2) and 56(A); adds R.S. 39:24.1(E)(4) and (5) and 36(A)(7))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill

1. Requires each department that administers the incentive benefit program to report on the program at each meeting of the Revenue Estimating Conference.
2. Provides that in developing the incentive expenditure estimate for each tax benefit program, each state agency which administers an incentive expenditure program, shall coordinate and implement procedures for developing the estimate. Further provides for items that may be considered in the estimating procedure.
3. Provides that the executive budget for Fiscal Year 2018-2019 and each fiscal year thereafter, the general appropriation bill, and other appropriation bills shall include a separate recommendation for an incentive expenditure program by department, which recommendation shall not exceed the incentive expenditure forecast as adopted for the current fiscal year by the Revenue Estimating Conference.
4. Requires the state budget prepared for Fiscal Year 2018-2019 and each fiscal year thereafter shall include a statement of total incentive expenditure programs and a statement of incentive expenditure programs by department.

Senate Floor Amendments to engrossed bill

1. Adds projection of tax revenue or budgetary savings to list of items that shall be considered in the estimating procedure.
2. Makes technical changes.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the reengrossed bill:

1. Change reference to the information to be included in the executive budget and appropriation bills from a *recommendation* of incentive expenditure programs *not to exceed* the incentive expenditure program forecast to a *listing* of incentive expenditure programs *with* the incentive expenditure forecast for each program.