

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 132** HLS 17RS 656
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: June 8, 2017 7:34 AM	Author: EDMONDS
Dept./Agy.: Statewide	Analyst: Alan M. Boxberger
Subject: Provides relative to allocation of expenditures - state budget	

BUDGETARY CONTROLS EN SEE FISC NOTE GF EX See Note Page 1 of 1
 Provides relative to the allocation of expenditures of the state operating budget

Present law requires the commissioner of administration to notify each budget unit of the amount of appropriations contained in the General Appropriation Act and permits the commissioner to review and approve the initial allocation of expenditures for a fiscal year. Proposed law changes the review and approval of the commissioner of administration of the initial allocation of expenditures from a permissive review to a mandatory review and approval and further specifies that the initial allocation shall be by category of expenditures. Proposed law further requires reporting to the Joint Legislative Committee on the Budget any changes to the initial allocation of expenditures or transfer funds between categories for individual transfers of \$50,000 or more and transfers occurring after a cumulative \$100,000 or more in such transfers have occurred in a fiscal year. Proposed law provides for exceptions in the event of a declared disaster. Proposed law provides for reporting requirements of all transfer of funds between expenditure categories. Proposed law shall terminate on July 1, 2020. Effective July 1, 2017.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	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	2017-18	2018-19	2019-20	2020-21	2021-22	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

To the extent this bill were to result in additional legislative committee hearings by the JLCB, proposed law would result in an increase of SGF expenditures of \$7,488 per day for 48 members to attend meetings if they are held on a day when the JLCB is not meeting. Members would also be entitled to mileage reimbursement, which is currently \$0.54 per mile. Such costs can be mitigated if these hearings coincide with a scheduled JLCB meeting, which typically meets at least monthly.

Proposed law requires the commissioner of administration to approve the initial spread of expenditures at the start of each fiscal year, which is current practice. Proposed law further requires reporting to the JLCB any changes to the initial allocation of expenditures or transfer funds between categories for individual transfers of \$50,000 or more and transfers occurring after a cumulative \$100,000 or more in such transfers have occurred in a fiscal year. The Division of Administration assumes the intent of proposed law is to require reporting of any transfer of authority between major expenditure categories (i.e. from salaries to supplies, professional services to acquisitions, etc.) and not from one expenditure subcategory to another within the same major expenditure category (i.e. from salaries regular to salaries overtime). The Commissioner shall also report all transfers, whether requiring JLCB approval or not, to both the JLCB and to an on-line website maintained by the Division of Administration.

There is no direct, significant impact for the division of administration or state agencies to notify and report to the JLCB any expenditure category changes.

REVENUE EXPLANATION

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

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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