

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 379** HLS 18RS 764

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 25, 2018	1:16 PM	Author: HENRY
Dept./Agy.: Treasury		Analyst: Greg Albrecht
Subject: Transfer FY17 Surplus Funds		

FUNDS/FUNDING EG SEE FISC NOTE GF RV See Note Page 1 of 1
Provides for the transfer, deposit, and use of certain treasury funds

Present law requires a minimum of 25% of officially designated nonrecurring revenue be deposited into the Budget Stabilization Fund. also requires the deposit into the Overcollections Fund, FY18 revenues collected in excess of the official forecast for FY18 made on January 13, 2017. Any such excess collections are to be appropriated for the purposes required in the State Constitution for officially designated non-recurring revenue (essentially general and retirement system debt retirement or capital outlay).

Proposed law directs the treasurer to transfer \$30,654,990 of recognized nonrecurring FY17 surplus from the state general fund to the Budget Stabilization Fund, and removes the provision for the deposit and use of FY18 excess revenue through the Overcollections Fund.
Effective upon governor's signature.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	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>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	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>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

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

REVENUE EXPLANATION

The Revenue Estimating Conference recognized, and designated as nonrecurring \$122,619,960 of FY17 general fund surplus results. This bill directs the treasurer to transfer a portion of these monies, as required by the State Constitution, to the Budget Stabilization Fund (\$30,654,990); a 25% share.

The balance of these funds (\$91,964,970) is available for the unfunded accrued liabilities of the state employees' and teachers' retirement systems (10% of the surplus or \$12,261,996 as required by the Constitution) and for other Constitutionally provided uses (\$79,702,974): advance or additional retirement or defeasance of state bonds, capital outlay projects, the Coastal Protection and Restoration fund, and new highway construction for which federal matching funds are available.

The transfer to the Budget Stabilization Fund will bring its balance in FY18 to approximately \$319 million.

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}

John D. Carpenter
Legislative Fiscal Officer