



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 400** SLS 18RS 203
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 18, 2018	4:34 PM	Author: HEWITT & EDMONDS
Dept./Agy.: Legislature		
Subject: Dedicated Fund Review Subcommittee of the JLCB		Analyst: Alan M. Boxberger

FUNDS/FUNDING Page 1 of 2
 EN SEE FISC NOTE GF RV See Note
 Provides for certain funds in the state treasury and the powers, duties, functions, and responsibilities of the Dedicated Fund Review Subcommittee of the Joint Legislative Committee on the Budget. (gov sig)

Present law directs the Division of Administration, no later than 10/1/2017 and every 2 years thereafter, to submit a plan of special funds and dedications to the Joint Legislative Committee on the Budget (JLCB) to consist of at least 50% of special funds. The list is reviewed by the Subcommittee, resulting in a recommendation for each specified fund in the plan. Proposed law retains present law but changes the timeframe from every 2 years to every year.

Proposed law eliminates 34 statutory dedications and specifies that balances and future deposits will accrue to the SGF. Proposed law eliminates 4 statutory dedications and causes the balances to accrue to an alternate statutory dedication, or in the case of 1 of the 4, be appropriated to a specific department. Proposed law reclassifies 9 statutory dedications as "accounts" and designates the revenues to accrue to corresponding agencies as SGR rather than statutory dedications and provides that monies in certain such accounts shall not revert to the SGF at the end of each fiscal year. Proposed law makes technical changes to existing statutes.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Agy. Self-Gen.	\$0	\$0	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Ded./Other	\$0	\$0	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0				\$0

REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	INCREASE	INCREASE	INCREASE	\$0
Agy. Self-Gen.	\$0	\$0	INCREASE	INCREASE	INCREASE	\$0
Ded./Other	\$0	\$0	DECREASE	DECREASE	DECREASE	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0				\$0

EXPENDITURE EXPLANATION

Proposed law eliminates certain statutory dedications and reclassifies others as "accounts" to be considered SGR beginning in FY 21, actions which will not result in a net change in state expenditures but will shift expenditures currently paid from specific statutory dedications to be paid from the SGF, SGR or alternate statutory dedications dependent upon legislative appropriation and priorities.

Proposed law changes the Hunters for the Hungry Account within the Conservation Fund to an escrow fund in FY 21 to receive deposits of donations for the benefit of Hunters for the Hungry made when an individual purchases a fishing and hunting license.

Proposed law provides that monies received by the Louisiana Department of Economic Development pursuant to R.S. 47:318(A) shall be used solely for the Louisiana FastStart Program beginning in FY 21.

Proposed law may result in an indeterminable increase in SGF expenditures to the extent that the Dedicated Fund Review Subcommittee of the Joint Legislative Committee on the Budget meets more frequently than under present law, or if the Subcommittee meets outside of dates coinciding with regular meetings of the JLCB. The legislative per diem rate of \$164 and the cost of related benefits (7.65% includes FICA 6.2% and Medicare 1.45%) is approximately \$13, for a daily cost of approximately \$177/day for each member. It would cost \$2,478 per day for 14 legislators to attend meetings plus mileage reimbursement, which is approximately \$0.545 per mile. The impact on expenditures is indeterminable and will depend upon mileage of the members, the number of meeting days held, and the actions taken. **Note:** Since September 2017, the Subcommittee met 11 times, coinciding with JLCB meeting dates or regular legislative session dates. To the extent that the Subcommittee meets on days the JLCB is scheduled to convene, there will be no additional cost in expenditures.

REVENUE EXPLANATION

Proposed law does not increase or decrease revenue to the state, but will change classification of monies deposited in the treasury and result in a dollar for dollar decrease in recurring revenues deposited into certain dedications and increasing the SGF, SGR or alternate dedications by an equal amount.

Proposed law repeals certain statutorily created funds in the treasury and transfers the balances in the funds to the SGF. Proposed law reclassifies certain statutorily created funds in the treasury and transfers the balances in the funds into "accounts" to be considered SGR. Proposed law, in limited instances, repeals certain statutorily created funds in the treasury and transfers the balances in the funds into other statutory dedications. The treasurer is directed to transfer any remaining balances as directed by proposed law after satisfying the appropriations for FY 19. The treasury assumes estimated fund balances will be transferred during FY 19 closeout, as well as annual estimated revenue projections beginning in FY 20 and beyond. The corpus in the funds repealed and abolished will be transferred as directed in proposed law.

On the following page, statutory dedications are reported in three categories: elimination and transfer to SGF, elimination and transfer to statutory dedication (or other purpose), and reclassify as account and transfer to SGR. Proposed law's adjustments to statutory dedications will be effective on July 1, 2020, beginning in FY 21. The REC does not estimate statutory dedications beyond the upcoming fiscal year (FY 20). This fiscal note reports the balance as of 4/17/18 and projected revenue collections in FY 19 for informational purposes only.

SEE REVENUE EXPLANATION CONTINUED ON PAGE 2

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|--|----------------------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & 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} |

Evan Brasseaux

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Staff Director



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CONTINUED EXPLANATION from page one:
REVENUE EXPLANATION CONTINUED FROM PAGE 1

Table with 3 columns: Fund Name, Balance on 4-17-18, REC estimate FY 19. Rows include Elimination of Statutory Dedications - Transfer to SGF, 2013 Amnesty Collections Fund, Academic Improvement Fund, etc.

Elimination of Statutory Dedications - Transfer to Other Statutory Dedications (or other purpose)

Table with 3 columns: Fund Name, Balance on 4-17-18, REC estimate FY 19. Rows include Louisiana Help Our Wildlife Fund, Saltwater Fishery Enforcement Fund, Shrimp Trade Petition Account, etc.

Reclassification of Statutory Dedications to Accounts - Transfer to SGR

Table with 3 columns: Fund Name, Balance on 4-17-18, REC estimate FY 19. Rows include Administrative Fund of the Department of Insurance, Louisiana Alligator Resource Fund, Emergency Medical Technician Fund, etc.

*Existing balance for this fund is reported as of 5-10-18.

Senate Dual Referral Rules House
[X] 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
[] 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
[] 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}
[] 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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