

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



Fiscal Note On: **HB 35** HLS 201ES 51

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

|   |                                    |
|---|------------------------------------|
| <b>Date:</b> June 29, 2020 6:40 PM          | <b>Author:</b> BISHOP, S.          |
| <b>Dept./Agy.:</b> Capital Outlay           | <b>Analyst:</b> Willie Marie Scott |
| <b>Subject:</b> Capital Outlay Savings Fund |                                    |

FUNDS/FUNDING

EN NO IMPACT GF RV See Note

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Creates the Capital Outlay Savings Fund

The proposed legislation creates the Capital Outlay Savings Fund as a special fund and shall be comprised of non-recurring state general fund revenues. Monies in the fund shall be used for capital outlay projects and to allocate or appropriate funds into the Budget Stabilization Fund. Directs the treasurer to deposit \$105,937,720 of non-recurring revenues from the FY 19 surplus into the fund. Further requires monies in the fund to be invested by the treasurer, and provides that all unexpended and unencumbered monies in the fund at the end of the fiscal years, including interest earnings, shall remain in the fund. Effective July 1, 2020.

| <b>EXPENDITURES</b> | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> | <b>2023-24</b> | <b>2024-25</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>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> | <b>2023-24</b> | <b>2024-25</b> | <b>5 -YEAR TOTAL</b> |
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| 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>           |

**EXPENDITURE EXPLANATION**

The purpose of the new fund created by the bill provides funding for capital outlay projects, and to provide deposits into the Budget Stabilization Fund. Currently, the capital outlay bill for FY 21 (HB 2 Enrolled of 2020 ES1) does not contain appropriations in contemplation of this new Fund.

*Note:* HB 2 contains \$178,193,332 (\$177,280,863 for FY 21 and \$912,469 for FY 20 supplemental appropriations) of non-recurring revenues from the FY 19 surplus.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure since all monies appropriated shall be deposited by the state treasurer in the Comprehensive Capital Outlay Escrow Account. The General Fund Non-recurring Revenues, by definition, are not expected until made available for capital outlay purposes. Therefore, there is no fiscal impact of the Treasurer deposit these funds into the newly created Capital Outlay Savings Fund.

Senate

Dual Referral Rules

House

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}

**John D. Carpenter**  
**Legislative Fiscal Officer**