

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **HB 150** HLS 051ES 471
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Sub. Bill For.:
 Proposed Amd.:

Date: November 18, 2005 7:14 AM	Author: POWELL, M.
Dept./Agy.: Treasury	Analyst: Greg Albrecht
Subject: Deficit Reduction Fund	

FUNDS/FUNDING-BUDGET, ST OR SEE FISC NOTE SD RV Page 1 of 1
 (Constitutional Amendment) Creates the Louisiana Deficit Reduction Fund in state treasury (Item #27)

Creates the Louisiana Deficit Reduction Fund to receive 100% of officially designated nonrecurring revenue. Money in the fund is available for appropriation to support operating expenses of the state for a fiscal year in which there is a projected deficit of \$900 million or more, as well as for the existing uses for nonrecurring revenue. In addition, the treasurer is required to deposit all of the monies from FY05 designated as nonrecurring.

To be submitted to the electors at the statewide election to be held on February 4, 2006.

EXPENDITURES	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>5 -YEAR TOTAL</u>
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	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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

If adopted by the electorate, this bill would affect FY06 in which there is a projected deficit of \$959 million. The entire FY05 surplus, currently estimated to be \$252.452 million would be deposited into the Deficit Reduction Fund created by this bill and be available to support the operating expenses of the state. These monies would not be allocated to the Budget Stabilization Fund (25%) or reserved for the other authorized uses of nonrecurring revenue (capital outlay, debt defeasance, UAL payments, and wetlands projects).

Senate

Dual Referral Rules

House

13.5.1 >= \$500,000 Annual Fiscal Cost

6.8(F) >= \$500,000 Annual Fiscal Cost

13.5.2 >= \$500,000 Annual Tax or Fee Change

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

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Legislative Fiscal Officer