

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 664** HLS 14RS 965

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 29, 2014 12:15 PM	Author: SCHRODER
Dept./Agy.:	Analyst: Travis McIlwain
Subject: Funds transferred to public/quasi-public entities	

BUDGETARY CONTROLS OR NO IMPACT See Note Page 1 of 1
Provides for funds transferred to public and quasi-public entities which are not budget units of the state

Proposed bill provides that no funds appropriated in an appropriation Act shall be transferred to a public or quasi-public agency or entity which is not a budget unit of the state unless the intended recipient of those funds has been certified by the legislative auditor and the intended recipient submits a comprehensive budget to the transferring agency showing all anticipated uses of the funds. Proposed bill provides for the recipient to provide written reports every 6 months concerning the use of funds and the specific goals for the use of the funds. Proposed bill provides that in the event the transferring agency determines that the recipient failed to use the funds set forth in its budget within the estimated duration of the project or failed to reasonably achieve its goals, the transferring agency shall demand that any unexpended funds be returned to the state treasury unless approval to retain funds is obtained from the division of administration (DOA) and the Joint Legislative Committee on the Budget. Proposed bill provides that the transferring agency shall submit a report no later than May 1st of each year to the legislative auditor, DOA and the JLCB showing data regarding unexpended funds.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	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	2014-15	2015-16	2016-17	2017-18	2018-19	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. This bill is similar to annual requirements detailed in Section 18(B) of HB 1 (preamble section of the appropriations bill). This bill also provides for the legislative auditor to submit a report annually to the JLCB no later than May 15 regarding the transferring agencies' compliance with this law and provides for the auditor to develop standardized forms for transferring agencies. This additional requirement would result in no anticipated direct material effect on expenditures.

The legislative auditor currently places on its website a list of noncompliant (with the state's audit law) NGOs. Once this bill is enacted, the auditor would incur minimal programming costs to change the list from those who are noncompliant to those who are compliant and certified.

REVENUE EXPLANATION

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

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {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} |

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