

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **SB 460** SLS 16RS 1113
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 25, 2016	8:35 AM	Author: LAFLEUR
Dept./Agy.:		Analyst: Monique Appeaning
Subject: Fees and Self-generated Revenues		

FUNDS/FUNDING OR SEE FISC NOTE SG RV Page 1 of 1
 Provides for the disposition and reporting on fees and self-generated revenues by state agencies and the state treasurer. (gov siq)

Proposed law amends, reenacts and enacts certain portions of present law relative to state funds. Proposed law provides for annual reporting of cash accounts carried forward and the annual reporting of unexpended fees and self-generated revenues, provides for certain state depositories and associated banking and checking accounts, provides for reporting requirements relative to such banking accounts, provides for an effective date and for related matters.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	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	2016-17	2017-18	2018-19	2019-20	2020-21	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

The proposed law will likely result in no increase in SGF expenditures for the Cash Management Review Board that is staffed by the State Treasurer's Office (STO). The additional workload requirements to develop and complete the annual and quarterly reporting will be managed by current staff.

REVENUE EXPLANATION

The proposed law will not increase or decrease state revenues. Present law requires all cash balances occurring from appropriations made by legislative act or by the Interim Emergency Board regardless of the date of passage to any state agency for which no bona fide liability exists on the last day of each fiscal shall be remitted to the state treasurer on a certain date. However, certain exceptions are provided in present law for certain entities. These exceptions include public colleges or universities which have an approved preventative maintenance program, public vocational-technical schools or institutes that receive certain funds per R.S.27:93, and the Department of Health and Hospitals - Office of Behavioral Health may retain any unexpended funds in accordance with the provisions of R.S.28:26.

STO reports, in FY15 \$57,784,008 in Fees and Self-generated Revenues and \$2,753,691 in Interagency Transfers were reverted to the State General Fund. For illustrative purposes, STO further explains, assuming the proposed law supersedes present law, including the appropriations act authorizing funds to be carried forward, the FY15 totals reverted to State General Fund would have been \$119,762,255 in Fees and Self-generated Revenues and \$4,081,088 in Interagency Transfers.

The LFO is not able to determine if the proposed law will impact imprest funds. R.S.39:242 grants authority to the commissioner of administration to establish an imprest fund drawn upon the working capital appropriation issued to the state treasurer for the purpose of making disbursements requiring prompt cash. However, assuming the proposed law intends to include imprest accounts, this action will likely negatively impact agencies in the routine fiscal operations. Also, other legislative instruments contain language that conflict with proposed law. House Bill 1 of the 2016 Regular Session contains language in the preamble and in various agencies that authorizes them to carry forward auxiliary accounts as well as prior and current year fees and self-generated revenues. The Ancillary Appropriations preamble also reauthorizes certain means of finance that may require an exception. There are other areas in current law that may conflict with this legislation. The proposed law may impair the operational capacity of an agency that relies primarily on Fees and Self-generated Revenues. It may require in certain instances an agency to request a seed in the beginning of the fiscal year until enough revenue is generated to operate.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input 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

Evan Brasseaux
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