

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 409** HLS 16RS 511

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 5, 2016	4:11 PM	Author: HENRY
Dept./Agy.: Treasury		Analyst: Matthew LaBruyere
Subject: State Funds		

FUNDS/FUNDING

OR SEE FISC NOTE GF RV

Page 1 of 1

Provides for the transfer, deposit, and use of monies among state funds

Proposed law directs the LSU Health Science Center - Health Care Services Division and the LSU Health Sciences Centers - New Orleans and Shreveport to deposit into the state general fund all public/private partnership hospital and hospital equipment lease payments. Present law provides for the allocation of \$250,000 out of Sex Offender Registry Technology Fund to the attorney general as follows: 1) \$150,000 for personnel and other costs to assist and monitor sheriff participation in the computer system and administration of the sex offender registration and notification laws; 2) \$100,000 for maintenance of the computer system of the sheriffs for registration of sex offenders. Proposed law, beginning FY 17, increases the total allocation from \$250,000 to \$400,000 to the attorney general as follows: 1) \$150,000 for personnel and other costs as provided in present law; 2) \$150,000 for computer maintenance as provided in present law; 3) \$100,000 for the cost of a sex offender education program for school children to be implemented in cooperation with sheriffs or other law enforcement entities. Proposed law nullifies any fund transfers that have not occurred by 7/1/2016 contained in the "fund transfer" bills of the 2011 through 2015 Regular Sessions and any fund transfers approved by the Joint Legislative Committee on the Budget as part of a midyear deficit reduction.

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	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)	(\$750,000)
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.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

The proposed legislation would result in an increase in statutory dedication expenditures for the Department of Justice (DOJ) by \$150,000 and a decrease in local fund expenditures by \$150,000 as a result of increasing the amount DOJ can spend on computer maintenance (\$50,000) and for creating a sex offender education program for school children (\$100,000). Currently, the DOJ is allocated \$250,000 and any monies remaining in the fund are distributed to sheriffs in the state to be used for costs associated with sex offender compliance and registration. Under the proposed legislation, this will still occur, but the disbursement will be after \$400,000 is allocated to DOJ.

The FY 17 general appropriations bill (HB 1) has \$826,057 budgeted from the Sex Offender Registry Technology Fund for use by the DOJ. Under existing law, the DOJ would utilize \$250,000 for computer maintenance and personnel and send the remaining amount (\$576,057) to sheriffs across the state. Under the proposed law, sheriffs or other law enforcement agencies responsible for registering sex offenders would receive \$426,057 in FY 17.

REVENUE EXPLANATION

The proposed legislation would nullify outstanding fund transfers contained in Act 378 of 2011, Act 597 of 2012, Act 420 of 2013, Act 646 of 2014, Act 121 of 2015 and any fund transfers approved by the Joint Legislative Committee on the Budget as part of a midyear reduction. The fund transfers total \$158,824,258. This includes \$75.7 M from fund transfers in the previous fiscal years and \$83.1 M in fund transfers in the current year. To the extent the outstanding funds in the current year are not transferred by July 1, 2016, the amount remaining will be included in the net position of the state.

Although the accounting books for these fiscal years are closed, the State Treasury is of the legal opinion that these transfers are an outstanding obligation of the respective statutorily dedicated fund. Since the prior legislative acts are still effective, the State Treasury continues to transfer these outstanding balances whenever the monies become available. The proposed legislation would cancel the outstanding transfers.

The proposed legislation directs LSU Health Care Sciences Division and LSU Health Science Center - Shreveport to deposit all lease payments into the state general fund. According to the most recently adopted Revenue Estimating Conference forecast of 2/16/16, the FY 16 lease payments are \$190.1 M and the FY 17 lease payments are \$161.3 M.

- | | | |
|---|--|--------------|
| <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} | |

John D. Carpenter
Legislative Fiscal Officer