The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.

DIGEST

SB 98 Original

2017 Regular Session

Donahue

Present law provides for the definitions of words used in Title 39 of the Revised Statutes.

Proposed law retains present law and amends the definition of "incentive expenditures" or "incentive expenditure programs" to mean the reductions of and payments from current tax collections because of payments to businesses and individuals for the refund, rebate, or transferable credits granted through either an incentive contract between the state or an agency of the state and a specific recipient, or certification or approval of a specific recipient by the state or an agency of the state. Proposed law retains list of incentive benefit statutes included in present law.

Present law provides that the Revenue Estimating Conference shall establish a forecast of incentive expenditure programs for each fiscal year, which shall include a forecast of the amount of payments from and reductions of current tax collections to be granted by incentive expenditure programs.

Present law provides that the governor shall cause to be prepared an executive budget presenting a complete financial and programmatic plan for the ensuing fiscal year which shall include recommendations for appropriations from the state general fund and dedicated funds which shall not exceed the official forecast of the Revenue Estimating Conference.

Proposed law retains present law and further provides that the executive budget for Fiscal Year 2018-2019 and each fiscal year thereafter shall include a separate recommendation for appropriations from the state general fund and dedicated funds for the incentive expenditure programs as contained in the incentive expenditure forecast. The incentive expenditure programs shall be stated as a separate description in the program activities of the respective department, agency, or authority of the state which administers the incentive expenditure. Such incentive expenditures shall not be included as, nor counted towards the operating expenses of the relevant department, agency, or authority. The recommended appropriations shall not exceed the amount estimated in the official forecast for incentive expenditures.

Present law provides for the contents and format of executive budget.

Proposed law retains present law and further provides that the executive budget shall contain a separate recommendation for appropriations from the state general fund and dedicated funds for incentive expenditure programs. The recommended appropriations shall not exceed the amount estimated in the incentive expenditure forecast. The recommendation for appropriations for incentive expenditure programs shall be stated as a separate description in the program activities of the respective department, agency, or authority of the state which administers an incentive expenditure program. Such incentive expenditure programs shall not be included as, nor counted towards the operating expenses of the relevant department, agency, or authority.

<u>Present law</u> provides relative to the general appropriation bill and provides that the general appropriation bill and other appropriation bills shall not appropriate any funds, which are not part of the official forecast except appropriations from existing statutorily dedicated funds for purposes other than the fund's statutory purpose as provided in <u>present law</u>.

<u>Proposed law</u> retains <u>present law</u> and further provides that the General Appropriation Bill and other appropriation bills shall include a separate recommendation setting forth the incentive expenditure program, which appropriations shall not exceed the amount estimated in the incentive expenditure forecast. The incentive expenditure programs shall be stated as a separate description in the program activities of the respective department, agency, or authority of the state which administers an incentive expenditure program. Such incentive expenditure programs shall not be included as, nor counted towards the operating expenses of the relevant department, agency, or authority. Incentive expenditure programs shall not be made to any person unless the incentive expenditure is appropriated.

<u>Present law</u> provides that after the passage of the appropriation and revenue acts, but not later than October first of each year, the governor shall cause to be prepared a complete state budget for the fiscal year. The budget so prepared shall include all the details of the financial plan for the fiscal year, as to both expenditures and means of financing as presented in the executive budget, with such revision as may be necessary to bring them into conformity with the appropriation and revenue acts and other acts to provide means of financing, and with the legislative provisions in effect, governing administration of the budget.

<u>Proposed law</u> retains <u>present law</u> but further provides that the budget so prepared for Fiscal Year 2018-2019 and each fiscal year thereafter shall include a statement of total incentive expenditure programs and a statement of incentive expenditure programs by department.

Effective July 1, 2017.

(Amends R.S. 39:2(15.1)(intro para), 24.1(A) and (E)(3), 34(A), 51(A)(2) and 56(A); adds R.S. 39:36(A)(7))