

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 379** HLS 18RS 764

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 15, 2018	4:44 PM	<b>Author:</b> HENRY
<b>Dept./Agy.:</b> Treasury		<b>Analyst:</b> Greg Albrecht
<b>Subject:</b> Transfer FY17 Surplus Funds		

FUNDS/FUNDING OR SEE FISC NOTE GF RV Page 1 of 1  
Provides for the transfer, deposit, and use of certain treasury funds

Present law requires a minimum of 25% of officially designated nonrecurring revenue be deposited into the Budget Stabilization Fund, and a minimum of 10% to be applied to the unfunded accrued liability of the state employees' and teachers' retirement systems.

Proposed law directs the treasurer to transfer \$30,654,990 of recognized nonrecurring FY17 surplus from the state general fund to the Budget Stabilization Fund, and \$12,261,996 of recognized nonrecurring FY17 surplus from the state general fund to the to the unfunded accrued liabilities of the State Employees' Retirement System and the Teachers' Retirement System. Effective upon governor's signature.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Application of a portion of these surplus resources to the unfunded accrued liabilities of the state employees' and teachers' retirement systems, will work to reduce ongoing funding requirements from what would otherwise be the case.

**REVENUE EXPLANATION**

The Revenue Estimating Conference recognized, and designated as nonrecurring \$122,619,960 of FY17 general fund surplus results. This bill directs the treasurer to make certain transfers of portions of these monies, as required by the State Constitution; 25% to the Budget Stabilization Fund (\$30,654,990) and 10% to the unfunded accrued liabilities of the state employees' and teachers' retirement systems (\$12,261,996).

The balance of these funds (\$79,702,974) is available for the two uses directed by this bill, but also for other Constitutionally provided uses: advance or additional retirement or defeasance of state bonds, capital outlay projects, the Coastal Protection and Restoration fund, and new highway construction for which federal matching funds are available.

The transfer to the Budget Stabilization Fund will bring its balance in FY18 to approximately \$319 million.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*John D. Carpenter*  
**John D. Carpenter**  
**Legislative Fiscal Officer**