



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 400** SLS 18RS 203
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

| | | |
|--|---------|-----------------------------------|
| Date: May 2, 2018 | 7:20 AM | Author: HEWITT & EDMONDS |
| Dept./Agy.: Legislature | | Analyst: Alan M. Boxberger |
| Subject: Dedicated Fund Review Subcommittee of the JLCB | | |

FUNDS/FUNDING RE SEE FISC NOTE GF RV See Note Page 1 of 2
 Provides for certain funds in the state treasury and the powers, duties, functions, and responsibilities of the Dedicated Fund Review Subcommittee of the Joint Legislative Committee on the Budget. (gov sig)

Present law directs the Division of Administration, no later than 10/1/2017 and every 2 years thereafter, to submit a plan of special funds and dedications to the Joint Legislative Committee on the Budget (JLCB) to consist of at least 50% of special funds. The list is reviewed by the Subcommittee, resulting in a recommendation for each specified fund in the plan. Proposed law retains present law but changes the timeframe from every 2 years to every year.

Proposed law eliminates 35 statutory dedications and specifies that balances and future deposits will accrue to the SGF. Proposed law eliminates 4 statutory dedications and causes the balances to accrue to an alternate statutory dedication, or in the case of 1 of the 4, be appropriated to a specific department. Proposed law reclassifies 10 statutory dedications as "accounts" and designates the revenues to accrue to corresponding agencies as SGR rather than statutory dedications. Proposed law makes technical changes to existing statutes.

| EXPENDITURES | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 5 -YEAR TOTAL |
|---------------------|------------|------------|------------|------------|------------|---------------|
| State Gen. Fd. | \$0 | \$0 | SEE BELOW | SEE BELOW | SEE BELOW | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | SEE BELOW | SEE BELOW | SEE BELOW | \$0 |
| Ded./Other | \$0 | \$0 | SEE BELOW | SEE BELOW | SEE BELOW | \$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 |

| REVENUES | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 5 -YEAR TOTAL |
|---------------------|------------|------------|------------|------------|------------|---------------|
| State Gen. Fd. | \$0 | \$0 | INCREASE | INCREASE | INCREASE | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | INCREASE | INCREASE | INCREASE | \$0 |
| Ded./Other | \$0 | \$0 | DECREASE | DECREASE | DECREASE | \$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 |

EXPENDITURE EXPLANATION

Proposed law eliminates certain statutory dedications and reclassifies others as "accounts" to be considered SGR beginning in FY 21, actions which will not result in a net change in state expenditures but will shift expenditures currently paid from specific statutory dedications to be paid from the SGF, SGR or alternate statutory dedications dependent upon legislative appropriation and priorities.

Proposed law changes the Hunters for the Hungry Account within the Conservation Fund to an escrow fund in FY 21 to receive deposits of donations for the benefit of Hunters for the Hungry made when an individual purchases a fishing and hunting license.

Proposed law limits the use of monies deposited into the Louisiana Economic Development Fund to be used only for the FastStart Program beginning in FY 21.

REVENUE EXPLANATION

Proposed law does not increase or decrease revenue to the state, but will change classification of monies deposited in the treasury and result in a dollar for dollar decrease in recurring revenues deposited into certain dedications and increasing the SGF, SGR or alternate dedications by an equal amount.

Proposed law repeals certain statutorily created funds in the treasury and transfers the balances in the funds to the SGF. Proposed law reclassifies certain statutorily created funds in the treasury and transfers the balances in the funds into "accounts" to be considered SGR. Proposed law, in limited instances, repeals certain statutorily created funds in the treasury and transfers the balances in the funds into other statutory dedications. The treasurer is directed to transfer any remaining balances as directed by proposed law after satisfying the appropriations for FY 19. The treasury assumes estimated fund balances will be transferred during FY 19 closeout, as well as annual estimated revenue projections beginning in FY 20 and beyond. The corpus in the funds repealed and abolished will be transferred as directed in proposed law.

On the following page, statutory dedications are reported in three categories: elimination and transfer to SGF, elimination and transfer to statutory dedication (or other purpose), and reclassify as account and transfer to SGR. Proposed law's adjustments to statutory dedications will be effective on July 1, 2020, beginning in FY 21. The REC does not estimate statutory dedications beyond the upcoming fiscal year (FY 20). This fiscal note reports the balance as of 4/17/18 and projected revenue collections in FY 19 for informational purposes only.

SEE REVENUE EXPLANATION CONTINUED ON PAGE 2

| | | |
|--|----------------------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input checked="" 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

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Staff Director

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CONTINUED EXPLANATION from page one:
REVENUE EXPLANATION CONTINUED FROM PAGE 1

| <u>Elimination of Statutory Dedications - Transfer to SGF</u> | <u>Balance on 4-17-18</u> | <u>REC estimate FY 19</u> |
|--|---------------------------|---------------------------|
| 2013 Amnesty Collections Fund | \$7,705 | - |
| Academic Improvement Fund | - | - |
| Atchafalaya Basin Conservation Fund | - | - |
| Barrier Island Stabilization & Preservation Fund | - | - |
| Bogalusa Health Services Fund | - | - |
| Brownsfield Cleanup Revolving Loan Fund | - | - |
| Center of Excellence for Autism Spectrum Disorder Fund | - | - |
| Community Hospital Stabilization Fund | \$7,755 | - |
| Competitive Core Growth Fund | - | - |
| Crime Victims Reparation Fund | \$3,086,951 | \$4,100,000 |
| Debt Service Assistance Fund | - | - |
| LDH Facility Support Fund | - | - |
| Department of Revenue Alcohol & Tobacco Control Fund | - | - |
| Evangeline Parish Recreation District Support Fund | - | - |
| Fiscal Administrator Revolving Loan Fund | - | - |
| FMAP Stabilization Fund | - | - |
| Health Care Redesign Fund | \$680 | - |
| Health Trust Fund | \$1,225,126 | \$6,540,000 |
| Higher Education Financing Fund | - | - |
| Incentive Fund | - | - |
| Innocence Compensation Fund | \$10,421 | \$320,000 |
| Louisiana Indigent Parent Representation Program Fund | \$5,795,828 | \$1,700,000 |
| Medicaid Trust Fund for the Elderly | \$14,825,564 | \$26,410,000 |
| MediFund | - | - |
| New Orleans Public Safety Fund | \$5,688 | - |
| Payments Towards the UAL Fund | \$7,405 | - |
| Pet Overpopulation Fund | - | - |
| Reptile & Amphibian Research Fund | \$10,680 | \$50,000 |
| Science, Technology, Engineering, and Math (STEM) Upgrade Fund | - | - |
| Sickle Cell Fund | - | - |
| SNAP Fraud and Abuse Detection and Prevention Fund | \$8,386 | \$10,000 |
| Specialized Educational Institutions Account of the Unfunded Accrued Liability and Specialized Educational Institutions Support Fund | - | - |
| Tobacco Tax Medicaid Match Fund | \$8,866,714 | - |
| UNO Slidell Technology Park Fund | - | - |
| Workforce and Innovation for a Stronger Economy Fund | \$81.80 | - |

Elimination of Statutory Dedications - Transfer to Other Statutory Dedications (or other purpose)

| | | |
|--|-----------|----------|
| Louisiana Help Our Wildlife Fund | \$24,149 | \$10,000 |
| - Remains in the Conservation Fund beginning FY 21 | | |
| Saltwater Fishery Enforcement Fund | \$1,337 | \$10,000 |
| - Remains in the Conservation Fund beginning FY 21 | | |
| Shrimp Trade Petition Account | \$80,442 | \$10,000 |
| - Remains in the Conservation Fund beginning FY 21 | | |
| Crescent City Amnesty Refund Fund | \$122,937 | - |
| - If a balance remains in FY 21, the balance will be transferred for use by DOTD. <u>Proposed law</u> does not specify a purpose or MOF. | | |

Reclassification of Statutory Dedications to Accounts - Transfer to SGR

| | | |
|---|-------------|--------------|
| Administrative Fund of the Department of Insurance | - | \$950,000 |
| Louisiana Alligator Resource Fund | \$4,915,774 | \$2,600,000 |
| Emergency Medical Technician Fund | \$65,240 | \$10,000 |
| Environmental Trust Fund | \$8,696,543 | \$78,000,000 |
| Louisiana Bicycle and Pedestrian Safety Fund | \$20,789 | \$10,000 |
| Motorcycle Safety, Awareness and Operator Training Program Fund | \$134,912 | \$310,000 |
| Municipal Fire and Police Civil Service Operating Fund | \$528,618 | \$2,430,000 |
| Pesticide Fund | \$2,355,192 | \$5,400,000 |
| Sex Offender Registry Technology Fund | \$523,124 | \$1,000,000 |
| Youthful Offender Management Fund | \$43,897 | \$170,000 |

Senate
 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}

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