

LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: SB **400** SLS 18RS 203

Bill Text Version: ENROLLED

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For .:

Date: May 18, 2018 4:34 PM **Author:** HEWITT & EDMONDS Dept./Agy.: Legislature

Subject: Dedicated Fund Review Subcommittee of the JLCB

Analyst: Alan M. Boxberger

FUNDS/FUNDING

EN SEE FISC NOTE GF RV See Note

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 34 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 9 statutory dedications as "accounts" and designates the revenues to accrue to corresponding agencies as SGR rather than statutory dedications and provides that monies in certain such accounts shall not revert to the SGF at the end of each fiscal year. 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>	<u>\$0</u>
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>	<u>\$0</u>
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 provides that monies received by the Louisiana Department of Economic Development pursuant to R.S. 47:318(A) shall be used solely for the Louisiana FastStart Program beginning in FY 21.

Proposed law may result in an indeterminable increase in SGF expenditures to the extent that the Dedicated Fund Review Subcommittee of the Joint Legislative Committee on the Budget meets more frequently than under present law, or if the Subcommittee meets outside of dates coinciding with regular meetings of the JLCB. The legislative per diem rate of \$164 and the cost of related benefits (7.65% includes FICA 6.2% and Medicare 1.45%) is approximately \$13, for a daily cost of approximately \$177/day for each member. It would cost \$2,478 per day for 14 legislators to attend meetings plus mileage reimbursement, which is approximately \$0.545 per mile. The impact on expenditures is indeterminable and will depend upon mileage of the members, the number of meeting days held, and the actions taken. Note: Since September 2017, the Subcommittee met 11 times, coinciding with JLCB meeting dates or regular legislative session dates. To the extent that the Subcommittee meets on days the JLCB is scheduled to convene, there will be no additional cost in expenditures.

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

SEE REVENUE EXPLANATION CONTINUED ON PAGE 2

	<u>Dual Referral Rules</u> 100,000 Annual Fiscal Cost {S&H}	<u>House</u>	Evan	Brasseaux
13.5.2 >= \$!	500,000 Annual Tax or Fee hange {S&H}	6.8(G) >= \$500.000 Tax or Fee Increase	Evan Brassea Staff Director	



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

*Existing balance for this fund is reported as of 5-10-18.

<u>House</u>

 $6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}$

or a Net Fee Decrease {S}

6.8(G) >= \$500,000 Tax or Fee Increase

Dual Referral Rules

x 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

13.5.2 >= \$500,000 Annual Tax or Fee

Change {S&H}

<u>Senate</u>

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Evan Brasseaux

Evan Brasseaux

Staff Director

REVENUE EXPLANATION CONTINUED FROM PAGE 1						
Elimination of Statutory Dedications - Transfer to SGF	Balance on 4-17-18	REC estimate FY 19				
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	- #7 755	-				
Community Hospital Stabilization Fund Competitive Core Growth Fund	\$7,755	- -				
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				
MediFund	-	-				
New Orleans Public Safety Fund	\$5,688	-				
New Orleans Urban Tourism and Hospitality Training in	\$202,590	\$100,000				
Economic Development Fund						
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)						
Lavisiana Hala Ova Wildlife Ford	¢24.140	410,000				
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	\$1,337	\$10,000				
Shrimp Trade Petition Account	\$80,442	\$10,000				
- Remains in the Conservation Fund beginning FY 21	400/112	410/000				
Crescent City Amnesty Refund Fund	\$122,937	-				
- If a balance remains in FY 21, the balance will be tra	ansferred for use by DO	TD. <u>Proposed law</u> does not specify a purpose or MOF.				
Reclassification of Statutory Dedications to Accounts - Transfer to SGR						
reclassification of Statutory Dedications to Accounts Transfer	ir to sort					
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				
*Office of Workers' Compensation Administrative Fund	\$4,691,421	\$16,500,000				
Sex Offender Registry Technology Fund	\$523,124	\$1,000,000				
Youthful Offender Management Fund	\$43,897	\$170,000				