

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



Fiscal Note On: **SB 503** SLS 20RS 895  
 Bill Text Version: **ENROLLED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 29, 2020	9:43 AM	<b>Author:</b> WHITE, B
<b>Dept./Agy.:</b> Statewide		<b>Analyst:</b> Alan M. Boxberger
<b>Subject:</b> Suspends deadline for withdrawing appropriations		

APPROPRIATIONS EN SEE FISC NOTE GF EX See Note Page 1 of 1  
 Suspends deadline for withdrawing appropriations from preceding fiscal year from state treasury. (gov sig)

Proposed law provides that in any year in which the Joint Legislative Committee on the Budget (JLCB) is unable to meet to approve the transactions before the forty-fifth day following the last day of the fiscal year due to a declared disaster or emergency, the transactions shall be placed on the agenda of the next JLCB meeting for approval and may be approved after the forty-fifth day following the last day of the fiscal year. Proposed law provides a procedure for incorporating appropriations from the preceding year against which bona fide obligations existed as of the last day of the fiscal year with approval of the JLCB in scenarios wherein the JLCB is unable to meet to approve such transactions due to a declared disaster or emergency. Proposed law provides that such transactions may be approved after the forty-fifth day following the last day of the fiscal year. Proposed law provides that the next meeting of the JLCB shall take place no later than thirty days after the end of the declared disaster or emergency.

<b>EXPENDITURES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</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><u>\$0</u></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**

There is no direct material impact on state or local governmental expenditures as a result of this proposed measure.

Proposed law provides a mechanism for the Joint Legislative Committee on the Budget (JLCB) to incorporate appropriations from the preceding year against which bona fide obligations existed as of the last day of the fiscal year in the event that the JLCB is unable to meet to approve such transactions due to a declared disaster or emergency. Proposed law requires that such transactions be placed on the agenda of the next meeting of the JLCB and may be approved after the forty-fifth day following the last day of the fiscal year. Proposed law provides that the next meeting of the JLCB shall take place no later than thirty days after the end of the declared disaster or emergency.

In practice, the provisions of proposed law could conceivably result in state agencies making expenditures against both the previous and current fiscal year appropriation concurrently beyond the existing forty-five day limit, with expenditures coded to the prior year paying for goods and services encumbered and received prior to the close of that fiscal year but not yet liquidated. Proposed law does not dissolve the requirement that a bona fide obligation must exist for each expenditure on the last day of the previous fiscal year (June 30th), but would nullify the requirement that such bona fide obligations be carried forward into the subsequent fiscal year by carry forward budget adjustment (a BA-7 approved either unilaterally by the Division of Administration or with consent of the Joint Legislative Committee on the Budget as authorized in present law) within the prescribed forty-five day window if it coincides with a declared disaster or emergency. Potential expenditure impacts are shown as SGF only for purposes of this fiscal note, but may be realized in any means of finance.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

<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}

*Evan Brasseaux*  
**Evan Brasseaux**  
**Staff Director**