

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HCR 1** HLS 201ES 18
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: June 4, 2020 3:17 PM	Author: ZERINGUE
Dept./Agy.: Treasury	Analyst: Greg Albrecht
Subject: Provides relative to the Budget Stabilization Fund	

FUNDS/FUNDING OR +\$90,062,911 GF RV See Note Page 1 of 1
 Provides for monies in the Budget Stabilization Fund to be available for appropriation in Fiscal Year 2020-2021 (Item #14)

Authorizes and consents to the Revenue Estimating Conference incorporating the sum of \$90,062,911 from the Budget Stabilization Fund into the official forecast for FY21, for appropriation in support of the FY21 budget.

EXPENDITURES	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$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	\$0	\$0	\$0

REVENUES	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$90,062,911	\$0	\$0	\$0	\$0	\$90,062,911
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$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	\$90,062,911	\$0	\$0	\$0	\$0	\$90,062,911

EXPENDITURE EXPLANATION

Approval of this Resolution will permit the utilization of \$90,062,911 for expenditures in FY21. The amount made available for use during FY21 will be transferred from the Budget Stabilization Fund into the state general fund for appropriation in support of the FY21 budget.

REVENUE EXPLANATION

The Resolution authorizes use of \$90,062,911 from the Budget Stabilization Fund to support the FY21 budget.

La Constitution Article VII, Section 10.3(C)(1) provides that if the official forecast of recurring money for the next fiscal year (FY21) is less than the official forecast of recurring money for the current fiscal year (FY20), the difference, not to exceed 1/3 of the fund may be incorporated into the next year's official forecast, after the consent of 2/3 of the elected members of each house of the legislature.

At the May 11, 2020 REC meeting, the FY21 official forecast of recurring money for FY21 was established as \$453.6 million less than the official forecast of recurring money for FY20. The Budget Stabilization Fund balance on July 1, 2019, was certified to be \$405,283,104; with 1/3 of that balance, or \$135,094,368, available for support of the budget. This Resolution authorizes 2/3 of this available balance for use in support of the FY21 budget (leaving \$45,031,457 of the available balance unused).

Note: La Constitution Article VII, Section 10.3(C)(3) provides that in no event shall the amount included in the official forecast for the next fiscal year, plus the amount utilized in the current fiscal year, exceed 1/3 of the fund balance at the beginning of the current fiscal year.

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
Legislative Fiscal Officer