

**LEGISLATIVE FISCAL OFFICE**  
Fiscal Note



Fiscal Note On: **HB 437** HLS 13RS 1102

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> June 11, 2013 11:27 AM	<b>Author:</b> HARRIS
<b>Dept./Agy.:</b>	<b>Analyst:</b> Travis McIlwain
<b>Subject:</b> State Budget Development	

BUDGETARY CONTROLS EN SEE FISC NOTE GF EX See Note  
Provides with respect to the development of the budget

Proposed bill provides for the Revenue Estimating Conference (REC) to include the state general fund and all dedicated funds as defined by Article VII, Section 10(J) of the Constitution in its official forecast. Proposed bill provides that the conference shall designate as nonrecurring any money available for appropriation from any source that is defined in R.S. 39:2(27). R.S. 39:2(27) provides that nonrecurring money does not include revenues received by the state from any source which has been available for the preceding two fiscal years or which will be available for the succeeding two fiscal years. Proposed bill provides that the executive budget and the appropriations bill shall not include recommendations for appropriations from any fund in excess of the official forecast of money available for appropriation from that fund. Effective July 1, 2013.

<b>EXPENDITURES</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</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>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>5 -YEAR TOTAL</b>
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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>						

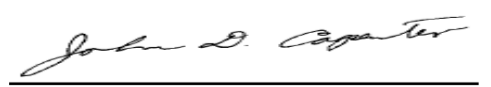
**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. This bill limits fund sweeps that are typically utilized in the budget building process to only those actual known fund balances as opposed to projected fund balances. Annually the State Treasury prepares what is known as the Act 1127 Report (R.S. 49:308.3(E)), which provides a listing of all statutory dedicated funds and their prior year ending fund balances. This report is usually prepared in the fall for the previous fiscal year.

**REVENUE EXPLANATION**

This bill provides that the revenue estimating conference forecast all funds defined in Article VII, 10(J) including estimates of funds available from each dedicated fund. This would exclude federal funds, interagency transfers, higher education tuition, but may include all other self-generated revenues. The conference may also designate as nonrecurring any money available for appropriation from any source defined as nonrecurring pursuant to R.S. 39:2(27). R.S. 39:(27) provides that "nonrecurring revenue" does not include revenues received by the state from any source which has been available for the preceding 2 fiscal years or is available for the succeeding 2 fiscal years. Appropriations are limited to only amounts forecast for any fund.

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|---|----------------------------|--|
| <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) >= \$500,000 Annual Fiscal Cost {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} |

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