

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 490** HLS 14RS 549

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

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Dept./Agy.:		Analyst: Travis McIlwain
Subject: Budgetary Controls		

BUDGETARY CONTROLS RE SEE FISC NOTE SD RV See Note Page 1 of 1
(Constitutional Amendment) Prohibits certain transfers of monies through the Coastal Protection and Restoration Fund or the Budget Stabilization Fund

Proposed constitutional amendment prohibits transfers of monies from the Coastal Protection & Restoration Fund or the Budget Stabilization Fund for purposes other than those provided for by law. Proposed constitutional amendment shall become effective on July 1, 2015. Proposed constitutional amendment will be submitted to the electors at the statewide election to be held on November 4, 2014.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
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>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	SEE BELOW	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

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. However, this bill may have an indirect impact on the available resources utilized in the operating budget.

The proposed constitutional amendment will be considered by voters at the statewide election to be held on November 4, 2014. The Secretary of State may incur minimal ballot printing costs associated with this measure. However, as a regular practice, the Secretary of State typically budgets for up to 10 constitutional amendments for the fall statewide elections.

REVENUE EXPLANATION

This bill will limit the use of non-recurring monies flowing through the Coastal Protection & Restoration Fund into the annual operating budget. To the extent the REC deems resources non-recurring, if those resources are transferred into the Coastal Protection & Restoration Fund, a like amount transfer to another fund (for example, the Overcollections Fund) cannot occur.

For illustrative purposes, if this law were already in effect, the FY 15 budget proposes \$51 million of non-recurring resources be deposited into the Coastal Protection & Restoration Fund with a like amount being transferred from the Coastal Protection & Restoration Fund to the Overcollections Fund for recurring FY 15 expenditures. These funds would have to be replaced with a like amount of recurring resources or necessitate a like amount of budgeted expenditure reductions.

NOTE: HB 1026 (Funds Bill) provides for the state treasurer to transfer \$50,997,876 of REC deemed non-recurring revenues into the Coastal Protection & Restoration Fund and in a separate section of the bill, the legislation provides for the same amount of recurring resources from the Coastal Protection & Restoration Fund to be transferred into the Overcollections Fund.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {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} |

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