

**LEGISLATIVE FISCAL OFFICE
Fiscal Note**



Fiscal Note On: **HB 208** HLS 15RS 574
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action: **w/ #2 SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: June 7, 2015 5:03 PM	Author: LANDRY, TERRY
Dept./Agy.: DOTD and Office of State Police	Analyst: Alan M. Boxberger
Subject: Provides relative to monies deposited into the TTF	

TRANSPORTATION EG2 INCREASE GF EX See Note Page 1 of 1
 Provides relative to monies deposited into the Transportation Trust Fund

Present constitution provides for allowable uses of the Transportation Trust Fund (TTF). Present constitution provides for a maximum allowable percentage of state generated tax monies within the TTF to be appropriated to certain purposes. Present law requires the governor to prepare an executive budget to include recommendations for appropriations. Proposed law provides that executive budget recommendations of any monies out of the TTF to the Department of Public Safety and Corrections, Office of State Police (OSP), shall not exceed \$25M for FY17 and shall not exceed \$10M in each fiscal year thereafter. Present law provides that appropriations by the legislature shall not exceed the official revenue forecast in effect at the time of the appropriation. Proposed law provides that appropriations by the legislature to OSP from the TTF shall not exceed \$45M for FY16, \$20M for FY17, and \$10M in each fiscal year thereafter. Proposed law provides that in any given fiscal year, monies appropriated for certain constitutionally allowable purchases shall not exceed 20% of the funds deposited into the TTF from all sources, and limits the use of TTF by OSP to \$45M in FY16, \$20M in FY17 and \$10M thereafter.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law seeks to limit the amount of funds that can be appropriated to the Department of Public Safety, Office of State Police (OSP). Proposed law stipulates that in any given fiscal year, monies appropriated collectively for ports, the Parish Transportation Fund, the Statewide Flood-Control Program and OSP for traffic control purposes shall be limited to 20% of all monies deposited into the TTF, including but not limited to state generated tax monies, fees, penalties or interest earnings. Historically, the only funds considered against the 20% cap were those generated specifically from state tax generated revenues as per present constitution, placing additional restrictions on the fund. Proceeds of weights and enforcement permits and interest earnings have been excluded from this calculation in past fiscal years (projected at \$26.3M in FY16 at the most recent meeting of the Revenue Estimating Conference). Proposed law would disallow \$20.1M of TTF currently in the executive budget recommendation for OSP in FY16, \$45.1M in FY17 compared to the current recommendation and \$55.1M in FY18 and beyond compared to the current recommendation. The restriction of the usage of TTF funds would require an appropriation offset from a separate means of finance (assumed to be SGF) or would require reductions to the budget recommendation for OSP, which would result in necessary downsizing of OSP operations and the layoff of State Troopers. Alternate legislation moving through the legislative process may offset all or some of this restriction within OSP. The following language was added to HB 1 by the Senate Finance Committee, "The commissioner of administration is hereby authorized to adjust the means of financing in Schedule 08-419 Office of State Police by increasing the appropriation out of the State General Fund by Fees and Self-generated Revenues by \$20,000,000 and reducing the appropriation out of the State General Fund by Statutory Dedications out of the Transportation Trust Fund - Regular by \$20,000,000 to adjust for revenues incorporated into the official forecast for Fiscal Year 2015-2016 due to the enactment of House Bill No. 448.

Proposed law would make an additional \$20.1M TTF available for appropriation to either the DOTD operating or Capital Outlay budgets for FY16, \$45.1M for FY17 and \$55.1M in FY18 and beyond when compared to the current budget recommendation.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. However, proposed law will restrict and cap the use of TTF generated revenues appropriated to the Office of State Police for traffic control purposes, which would require an increase in an alternate MOF or a reduction in appropriation level.

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