

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 202** SLS 15RS 285
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: June 17, 2015	2:10 PM	Author: ADLEY
Dept./Agy.:		Analyst: Greg Albrecht
Subject: Dedications To Budget and Transportation Trusts		

FUNDS/FUNDING EN SEE FISC NOTE SD RV See Note Page 1 of 1
 Constitutional amendment to rename the Budget Stabilization Fund to the Budget and Transportation Stabilization Trust and to provide for use of monies in the fund, including the dedication of certain monies into the Transportation Trust Fund. (2/3s)
 The bill creates a Budget and Transportation Trust out of the existing Budget Stabilization Fund. Beginning in FY16, mineral revenue in excess of a base amount (currently \$850 million plus constitutional allocations to parishes) are first deposited to the Budget Stabilization Subfund until its balance equals \$500 million. Once that occurs, at the beginning of the next fiscal year, excess mineral revenue is deposited into the Transportation Stabilization Subfund until its balance equals \$500 million. The balance in each of the subfunds is to be maintained at \$500 million. After that, excess mineral revenue is to be deposited into the state general fund, but additional appropriations to either subfund are allowed. Monies in the Transportation Stabilization Subfund shall be use solely for planning, design, construction, and maintenance connected with the state highway program, with at least 20% funding for the Intermodal Connector Program. No deposits to either subfund are allowed in any fiscal year in which money in the funds are appropriated or incorporated into the official forecast, unless specifically appropriated into the subfunds. Allows the base amount to be increased every five years rather than ten years. To be submitted at the statewide election held on October 24, 2015.

EXPENDITURES	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</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>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</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	\$4,400,000	\$7,200,000	\$9,300,000	\$20,900,000
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	\$4,400,000	\$7,200,000	\$9,300,000	\$20,900,000


EXPENDITURE EXPLANATION

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

REVENUE EXPLANATION

Based on the May 2015 official revenue forecasts, there is no expected excess mineral revenue for FY16, and no deposits would be expected into the Budget Stabilization Subfund. By the end of FY15, the balance of the Budget Stabilization Fund will be approximately \$470 million, and current law schedules a \$25 million deposit in FY16. During FY16, and inclusive of Fund earnings, the \$500 million balance may be met. If so, excess mineral revenue could begin being deposited into the Transportation Stabilization Subfund starting in FY17. However, the May 2015 official forecast includes no excess mineral revenue in FY17. For FY18 - FY20 there is currently expected excess mineral revenue of \$4.4 million (FY18), \$7.2 million (FY19), and \$9.3 million (FY20). Under the provisions of current law (Act 646 of 2014), these amounts are expected to be deposited into the Budget Stabilization Fund. This constitutional amendment will redirect them into the Transportation Stabilization Subfund. Those deposits are depicted in the table above, but are offset by like amounts that will not be deposited into the Budget Stabilization Fund (the Budget Stabilization Subfund of this bill).

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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)(1) >= \$100,000 SGF Fiscal Cost {H & S} | <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} | |


John D. Carpenter
Legislative Fiscal Officer