

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 257** HLS 16RS 937

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 20, 2016 3:09 PM	<b>Author:</b> IVEY
<b>Dept./Agy.:</b>	<b>Analyst:</b> Greg Albrecht
<b>Subject:</b> Budget Stabilization Fund	

FUNDS/FUNDING OR SEE FISC NOTE SD RV Page 1 of 1  
Excepts deposits in excess of expenditure limit from the temporary suspension of deposits into the Budget Stabilization Fund

Current law limits deposits to the Budget Stabilization Fund to only those specifically appropriated or an annual amount of the greater of \$25 million from any source or 25% of officially designated non-recurring revenue, until such time as the official revenue forecast exceeds state general fund direct collections of FY08 (\$10.171 billion). These limitations are null and void on July 1, 2017 (from FY18 and after).

Proposed law provides that revenue collections in excess of the expenditure limit are also an exception to the limitations on deposits to the Budget Stabilization Fund.

Effective upon governor's signature.

<b>EXPENDITURES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
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>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW	\$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>\$0</b>
<b>Annual Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

Proposed law provides an additional exception to the limitations on deposits to the Budget Stabilization Fund, namely, revenue collections in excess of the expenditure limit. Currently, appropriations subject to the expenditure limit are well below the limit (approximately \$1.5 billion), and are not anticipated to exceed the limit throughout the forecast horizon. Thus, the bill by itself is not anticipated to affect deposits to the Budget Stabilization Fund. If the expenditure limit were lowered to a level where excess collections resulted, then under this bill those collections would be deposited to the Budget Stabilization Fund and consequently be unavailable to support the state budget as they currently do. However, the limitations on deposits to the Budget Stabilization Fund that this bill is amending are in effect only through FY17. After that, revenue in excess of the expenditure limit is the first priority for deposit into the Budget Stabilization Fund under current law [ R.S. 39:94(A)(1) ].

Senate Dual Referral Rules House

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|---|--|
| <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"/> 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*  
**John D. Carpenter**  
**Legislative Fiscal Officer**