

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **SB 602** SLS 08RS 904
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 31, 2008 8:57 AM	Author: MICHOT
Dept./Agy.: Division of Administration/Treasury	Analyst: Travis McIlwain
Subject: Funds	

FUNDS/FUNDING OR -\$917,564,006 GF RV See Note Page 1 of 2
 Provides relative to the use of certain state funds. (gov sig) (7/01/08)

Proposed legislation provides for the transfer of FY 07-08 state general fund receipts into various statutory dedicated funds. Proposed legislation provides for the transfer of monies from of various statutory dedicated funds into other statutory dedicated funds. Proposed legislation specifies that the transfer of \$3.0 million from the Incentive Fund to the 2004 Overcollections Fund is to become effective July 1, 2008. All other transfers of FY 08 excess state general fund receipts into funds or transfers of receipts between funds are to become effective upon the governor's signature.

EXPENDITURES	2008-09	2009-10	2010-11	2011-12	2012-13	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	<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	2008-09	2009-10	2010-11	2011-12	2012-13	5 -YEAR TOTAL
State Gen. Fd.	(\$917,564,006)	\$0	\$0	\$0	\$0	(\$917,564,006)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$917,564,006		\$0	\$0	\$0	\$917,564,006
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

EXPENDITURE EXPLANATION

The FY 08 excess state general fund receipts deposited into the various funds will be available for expenditure in FY 08 (supplemental appropriations) and/or FY 09 (general appropriations-HB 1). According to the Division of Administration (DOA), some of the significant items to be funded with the \$917.6 million deposited into various statutory dedicated funds in FY 09 include:

- \$21.5 million - DHH - 53 check writes instead of 52
- \$24.8 million - Executive - Statewide Interoperability Solution
- \$1.0 million - DOA - transparency web site as required by Act 20 of the 1st Special Legislative Session of 2008
- \$8.0 million - Higher Education - endowed chairs and professorships
- \$10.0 million - DOE - student scholarships in the New Orleans area
- \$8.0 million - Wildlife - aquatic weed control
- \$121.0 million - Various - acquisitions and major repairs for various state departments/agencies

REVENUE EXPLANATION

Legislation transfers \$917,564,006 of FY 08 excess state general fund receipts into 8 various statutory dedications effective upon the governor's signature. These statutory dedicated funds and the amount of state general fund being deposited include: \$440,916,660 - Medical Assistance Trust Fund, \$307,100,000 - Mega-Project Fund, \$144,033,546 - 2004 Overcollections Fund, \$2,500,000 - Rapid Response Fund, \$2,998,184 - Youthful Offender Management Fund, \$2,000,000 - Aquatic Plant Control Fund, \$8,000,000 - Higher Education Initiatives Fund, \$10,015,616 - Academic Improvement Fund. Language provided within legislation indicates these transfers will be effective upon the governor's signature. To the extent that the governor signs legislation before July 1, 2008, these transfers will take place in FY 08 and NOT FY 09 even though the revenue table above assumes an FY 09 revenue impact.

Legislation also transfers \$14,904,933 among various statutory dedicated funds effective upon the governor's signature (within FY 08). The amounts of proposed transfers include: transfer \$5,000,000 from LA Economic Development Fund into the Small Business Surety Bonding Fund, transfer \$5,404,933 from LA Economic Development Fund to the Rapid Response Fund, transfer \$4,500,000 from the LA Fire Marshal Fund to the 2004 Overcollections Fund.

(revenue explanation continued on page 2)

Senate Dual Referral Rules
 13.5.1 >= \$500,000 Annual Fiscal Cost
 13.5.2 >= \$500,000 Annual Tax or Fee Change

House
 6.8(F) >= \$500,000 Annual Fiscal Cost
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

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CONTINUED EXPLANATION from page one:

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REVENUE EXPLANATION CONTINUED:

Legislation also transfers \$3.0 million from the Incentive Fund into the 2004 Overcollections Fund effective July 1, 2008. This proposed transfer will impact FY 09 and NOT impact FY 08.

The total fiscal impact of the various statutory dedicated funds as a result of this measure include: \$440,916,660 - Medical Assistance Trust Fund (MATF), \$307,100,000 - Mega-Project Fund, \$151,533,546 - 2004 Overcollections Fund, \$7,904,933 - Rapid Response Fund, \$2,998,184 - Youthful Management Fund, \$2,000,000 - Aquatic Plant Control Fund, \$8,000,000 - Higher Education Initiatives Fund, \$10,015,616 - Academic Improvement Fund, (\$10,404,933) - LA Economic Development Fund, \$5,000,000 - Small Business Surety Bonding Fund, (\$4,500,000) - LA Fire Marshal Fund, (\$3,000,000) - Incentive Fund.

Senate

Dual Referral Rules

House

- 13.5.1 >= \$500,000 Annual Fiscal Cost
- 13.5.2 >= \$500,000 Annual Tax or Fee Change

- 6.8(F) >= \$500,000 Annual Fiscal Cost
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