

# Summary of HB 1 After Amendments Adopted by House on April 30, 2013

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## OVERVIEW

- One time money, as determined by the Legislative Fiscal Office (LFO) as of April 23, of \$490 million is in the budget.
- Funding out of the Overcollections Fund was increased by \$138 million to a total of \$657.6 million due to certain amendments not being adopted by the House. However, only \$367.5 million is being deposited into the Overcollections Fund by HB 452 (the funds bill).
- Engrossed HB 1 has \$168 million less in State General Fund (SGF) than Original HB 1.
- All of the member amendments were adopted except for the additional NOW waiver slots.

## One-Time Money

- One time money, as determined by LFO as of April 23, of \$490 million is in the budget as follows:
  - \$353.5 million from the Overcollections Fund in Board of Regents.
  - \$120.3 million from the TOPS Fund in the Office of Student Financial Assistance.
  - \$16.4 million from the Medical Assistance Trust Fund in the Department of Health and Hospitals.

## Overcollections Fund:

- An amendment was adopted which increased the Overcollections Funds going to Higher Education by \$30 million and decreased the State General Fund by \$30 million, bringing the total from the Overcollections Fund going to Higher Education to \$519.6 million. The Legislative Fiscal Office determined that \$138 million of the \$519.6 million of the Overcollections Fund is not one-time money. An amendment was passed in committee to move the \$138 million of recurring Overcollections from Higher Education to other areas of the budget (the Schroder amendment). However, the part of the amendment that removed the Overcollections Fund from Higher Education was not adopted by the House. This resulted in the \$138 million of Overcollections still being in the budget for Higher Education and also being in the budget of the other departments. The total funding from the Overcollections Fund is now \$657.6 million in HB 1 Engrossed. The \$657.7 million from Overcollections Fund is now appropriated as follows:
  - \$519.6 million to the Board of Regents.
  - \$5.6 million to the Executive Office.
  - \$66.8 million to the Division of Administration.
  - \$11.8 million to the Department of Economic Development.
  - \$53.6 million to Other Requirements.

- Additionally, HB 452 (the funds bill) engrossed has \$367.5 million being deposited into the Overcollections Fund. The difference between this and the \$657.7 appropriated out of the fund is \$290.1 million as follows:
  - \$138 million increase in appropriation (Schroder amendment in HB1).
  - \$100 million less available for the fund by deleting the transfer of funds from the New Orleans convention center (funds bill amendment).
  - \$28.1 million less available for the fund from taking out Riverboat Gaming Enforcement Fund (funds bill amendment).
  - \$24.8 million that is deposited into the fund from the 2012 funds bill.
  - \$768,000 in additional deposits (net from additional deposits/reductions).

**State General Fund:**

- HB 1 as originally proposed had approximately \$8.2 billion in State General Fund (SGF) and HB 1 Engrossed has \$168 million less SGF.
- \$30 million of the SGF reduction is in Higher Education as a result of an amendment which increased the Overcollections Fund and decreased the SGF by \$30 million. This funding was expected as a result of the Department of Revenue fraud initiatives and was not in the amount of SGF recognized in the official forecast. This reduction aligned the SGF in HB 1 with the official forecast.
- Another \$138 million of the reduction is in the Executive Office, Division of Administration, Department of Economic Development, and Other Requirements as a result of the reduction in SGF to replace the funds with funding from the Overcollections Fund (Schroder amendment).
  - As mentioned previously, while the amendment to take this money from these agencies was adopted by the House, the amendment to put these SGF in Higher Education was not adopted.
- Additionally, an amendment was adopted that reduced \$1.9 million from the Department of Children and Family Services to transfer the money to the Supreme Court for legal representation of child protection cases. While the appropriation is not in HB 1, it is still an appropriation from SGF and cannot be reduced from the SGF total.
- Committee amendments totaling approximately \$5.6 million (described in the “Other Amendments” section of this document) were adopted, however only \$3.9 million of SGF reductions to free up SGF to fund the amendments were adopted leaving a difference of \$1.7 million SGF.
  - If no changes are made to either reduce SGF from somewhere else in the budget or delete the amendment appropriations, the budget will have \$1.7 more in appropriated SGF than there is funding available.

**Other Amendments:**

- Appropriations for the following member amendments out of State General Fund (Direct) were adopted and are still in the budget as follows:
  - \$2.1 million for the Senior RX and supplemental payments.
  - \$250,000 for LATAN.
  - \$700,000 for breast and cervical cancer screening.
  - \$2.4 million for domestic violence.
  - \$88,000 (plus \$383 thousand in fees and self-generated revenues) for immunizations in parish health units.
- Means of Financing Substitution in the Office of State Police decreasing Transportation Trust Fund by \$28.1 million and increasing the Riverboat Gaming Enforcement Fund were adopted.
- Member amendments for additional New Opportunities (NOW) waiver slots were not adopted.