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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 03/01/10  
**LAST UPDATED** 03/03/10    **HB** 2/aHFI#1  
**SPONSOR** Saavedra  
**SHORT TITLE** General Appropriation Act of 2010    **SB** \_\_\_\_\_  
**ANALYST** Fernandez

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
	\$5,372,156.3	Recurring	General Fund
	(\$33,270.7)	Recurring	General Fund
	\$3,005,885.2	Recurring	Other State Funds
	\$885,292.5	Recurring	Internal Service/Inter-Agency Transfers
	\$5,919,427.4	Recurring	Federal Funds
\$1,500.0	\$50.0	Nonrecurring	General Fund
\$10,000.0		Nonrecurring	Appropriation Contingency Fund – Lock Box (Sec. 5) GF
\$9,795.0		Nonrecurring	Other State Funds
\$2,129.7		Nonrecurring	Public Election Fund - OSF
\$750.0		Nonrecurring	Game Protection Fund - OSF
\$800.0		Nonrecurring	Correction Industries Revolving Fund- OSF
\$500.0		Nonrecurring	Workers' Compensation Fund – OSF
\$500.0		Nonrecurring	Public Liability Fund - OSF
\$100.0		Nonrecurring	Public Property Fund – OSF
\$1,335.0		Nonrecurring	Land Maintenance Fund -OSF
\$39,722.6		Nonrecurring	Federal Funds

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY10	FY11	FY12		
	\$31.0		Nonrecurring	General Fund
	(\$31.0)		Nonrecurring	Juvenile Adjudication Fund

(Parenthesis ( ) Indicate Revenue Decreases)

**SOURCES OF INFORMATION**

LFC Files

**SUMMARY**

Synopsis of HFI#1 Amendment

House Floor Amendment #1 directs the State Personnel Office to review all authorized unfunded positions and agency rates and eliminate 1,900 positions covered by the State Personnel System prior to July 1, 2010 and report to the Legislative Finance Committee by July 1, 2010.

Synopsis of Original Bill

House Bill 2 appropriates money from the general fund, other revenue, internal services funds/interagency transfers, and federal funds for the FY11 operation of state agencies, higher education and public schools.

Section 1, Short Title (page 1);

Section 2, Definitions (pages 1 - 3);

Section 3, General Provisions (pages 3 – 6)

Section 4, Fiscal Year 2011 Appropriations (pages 6 - 216);

Section 5 Special Appropriations (pages 216 - 220);

Section 6, Supplemental and Deficiency Appropriations (pages 220 - 221);

Section 7, Data Processing Appropriations (pages 221 - 225);

Section 8, Additional Fiscal Year 2010 Budget Adjustment Authority (pages 225 - 228);

Section 9, Certain Fiscal Year 2011 Budget Adjustments Authorized (pages 228 - 239);

Section 10, Appropriation Reductions (pages 239 -242);

Section 11. Fiscal Year 2010 Reversions to Implement Executive Order 2009-044 (page 242-243);

Section 12, American Recovery and Reinvestment Act Appropriations (page 243);

Section 13, Authority to Reduce Allotments (pages 243 – 244);

Section 14, Transfer Authority (pages 244 – 245)

Section 15, Severability (page 236).

**FISCAL IMPLICATIONS**

The appropriations contained in this bill can be summarized as follows:

(dollars in thousands)

Agency	General Fund	Other State Funds	Internal Service Funds/InterAgency Trnsfrs	Federal Funds	Total
<b>SECTION 4 FY11 Operating</b>					
<b>Recurring:</b>					
Legislative	4,120.0	-	-	-	4,120.0
Judicial	202,764.5	19,799.5	9,800.1	2,218.4	234,582.5
General Control	181,731.9	732,833.4	522,055.8	17,738.8	1,454,359.9
Commerce & Industry	52,009.6	46,185.4	16,690.0	680.5	115,565.5
Agric., Enrgy & Ntrl Res	72,953.0	88,570.3	22,191.5	36,165.8	219,880.6
Health, Hospitals & Human Svcs	1,256,152.3	287,685.6	255,760.0	4,226,966.9	6,026,564.8
Public Safety	378,917.7	31,643.6	12,651.8	65,162.5	488,375.6
Transportation	-	402,492.8	-	366,684.2	769,177.0
Other Education	31,565.0	19,704.0	1,840.6	54,091.0	107,200.6
Higher Education	792,280.4	1,376,120.6	44,302.7	613,539.3	2,826,243.0
Public School Support	2,399,661.9	850.0	-	536,180.0	2,936,691.9
<b>Total Sec 4 Recurring</b>	<b>\$ 5,372,156.3</b>	<b>\$ 3,005,885.2</b>	<b>\$ 885,292.5</b>	<b>\$ 5,919,427.4</b>	<b>\$ 15,182,761.4</b>
<b>Recurring:</b>					
<b>Appropriation Reductions-Section10</b>					
Sand .544% w/flexibility	(25,683.0)				(25,683.0)
Eliminate Return to Work - PERA	(1,400.0)				(1,400.0)
Eliminate Employee Assistance Program	(200.0)				(200.0)
Reduce DoIT Telecom Rates	(500.0)				(500.0)
GSD Risk Insurance Premium Reductions	(1,978.6)	-	-	-	(1,978.6)
Reduce DoIT HRMS Rate Reductions	(366.8)	-	-	-	(366.8)
Vacant exempt positions savings	(3,142.3)	-	-	-	(3,142.3)
	<b>\$ (33,270.7)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (33,270.7)</b>
<b>TOTAL RECURRING</b>	<b>\$ 5,338,885.6</b>	<b>\$ 3,005,885.2</b>	<b>\$ 885,292.5</b>	<b>\$ 5,919,427.4</b>	<b>\$ 15,149,490.7</b>
<b>Nonrecurring: Sections 5, 6 &amp; 7</b>					
Specials	1,550.0	4,279.7	-	36,022.6	41,852.3
Specials - Education Lock Box	10,000.0	-	-	-	10,000.0
Data Processing	-	11,630.0	-	-	11,630.0
Supplemental & Deficiency	-	-	-	3,700.0	3,700.0
<b>Total Nonrecurring</b>	<b>\$ 11,550.0</b>	<b>15,909.7</b>	<b>-</b>	<b>39,722.6</b>	<b>\$ 67,182.3</b>

Unless otherwise indicated, appropriations from the general fund revert to the general fund at the end of FY11 unless otherwise indicated or provided by law. Exceptions include higher education institutions and public schools.

## OTHER SUBSTANTIVE ISSUES

Department of Health - language is included in the Department of Health Developmental Disability Program limiting expenditures for the Jackson lawsuit for plaintiff legal costs and related expenses to \$100 thousand. This could free up approximately \$4.8 million that would be required to be used for reducing the developmental disabilities Medicaid waiting list. This would be matched with federal Medicaid funds of approximately \$24 million.

Section 10 – Reduces general fund appropriations in Section 4 for various purposes. The most significant reduction is to all general fund appropriations in Section 4 by .544 percent for a total of \$25.7 million. The developmental disabilities support program at Department of Health and the Medical Assistance and Medical Behavioral Health programs at Human Services Department are not subject to the .544 percent reduction.

Section 11 directs state agencies listed in Subsection A of Section 1 of Executive Order 2009-044 to revert amounts identified in the Executive Order as well as furlough savings. This section is necessary for state agencies that have non-reverting status.

Section 12 appropriates a total of \$25 million from the Governor's discretionary allocation of the federal American Recovery and Reinvestment Act of 2009 award as follows: \$15 million to school districts and charter schools through the state equalization guarantee distribution and \$10 million to all state agencies. The appropriations are to offset the reductions in Section 10 of the General Appropriation Act of 2010, provided that the distribution shall be made in the same proportion as the reductions.

Section 13 Authority to Reduce Allotments – If a general fund consensus revenue forecast projects that revenues and transfers to the general fund will not be sufficient to meet the level of general fund appropriations for FY11, the Governor, with approval of Board of Finance and after review and comment by LFC, shall reduce general fund allotments to all agencies, funds, programs and other recipients that receive a general fund appropriation in Section 4. No reductions shall be made in the allotments for the Medicaid programs or the developmental disabilities support program.

Section 14 Transfer Authority – allows the Governor with State Board of Finance approval, to transfer up to \$83 million first from the tax stabilization reserve fund if the Governor determines that revenue and transfers are not sufficient to meet appropriations in FY10 or FY11. Then, if revenue and transfers are still not sufficient to meet appropriations in FY10 or FY11, the Governor with State Board of Finance approval, may transfer up to \$49 million from the appropriation contingency fund (education lock box) to supplant general fund appropriations to the state equalization guarantee distribution.

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