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FISCAL IMPACT REPORT

ORIGINAL DATE 3/11/09

SPONSOR Cravens LAST UPDATED _____ HB _____

SHORT TITLE Allow Members to Opt Out of Funding SCR 2

ANALYST Kehoe

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of SCR

Senate Concurrent Resolution 2 proposes a new legislative joint rule pertaining to appropriations and authorizations. In accordance with Legislative Joint Rule 801, the adoption, amendment or repeal of joint rules by concurrent resolution requires approval by two-thirds of the membership of each house.

FISCAL IMPLICATIONS

This legislative joint rule does not have a fiscal impact on state funding sources.

SIGNIFICANT ISSUES

The proposed rule change allows a member of either house to opt out of taking a share of any available funding that may be available to a member. The member can chose to transfer some or all of any funding to the general fund operating reserve or the severance tax permanent fund, as applicable, in the same manner the member would provide for the appropriation or authorization for other projects.

If a member chooses to transfer funds to the aforementioned funds, the member shall not be penalized by a reduction in the equal or similar share that is allocated to all members of the same house.

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For example, if the Senate share is \$42 million for capital funding, two members may opt to decline their share of \$1 million each. Instead of the \$2 million being proportioned among the other 40 member, the share of the two members would be transferred to the general fund operating reserve or the severance tax permanent fund.

Further, money credited to the general fund operating reserve pursuant to the proposed rule shall not be taken into account when the operating reserve is established for the current or succeeding fiscal year.

LMK/mc