

Summary of Legislation

This bill requires all state agencies to develop and update a long-range financial plan, every year, when an agency submits its budget request. The plan must be submitted by November 1, and must include:

- a statement of the agency's mission;
- a description of the agency's major functions;
- a description of the agency's performance goals;
- a description of the agency's best and worst performing programs;
- a description of anticipated trends, conditions, or events affecting the agency;
- forecast of the agency's budget requests for the five successive state fiscal years;
- a comparison of current and past forecasts; and
- a description of any programs currently funded in whole or in part with federal funds or gifts, grants, and donations.

Assumptions

The fiscal note assumes that based on common practice and a least cost implementation approach, the Office of State Planning and Budgeting (OSPB) will coordinate and submit long-range financial plans on behalf of each agency in the executive branch.

State Expenditures

This bill will increase state General Fund expenditures by \$135,829 and by 1.2 FTE in FY 2018-19 and by \$139,241, and 1.3 FTE in FY 2019-20 and future years as shown in Table 2 and discussed below.

Table 2
Expenditures Under HB 18-1430

Cost Components	FY 2018-19	FY 2019-20
Office of State Planning and Budgeting		
Personal Services	\$72,404	\$78,986
Operating Expenses and Capital Outlay Costs	\$5,558	\$950
Centrally Appropriated Costs*	\$14,147	\$15,585
FTE – Personal Services	0.9 FTE	1.0 FTE
Dept (Subtotal)	\$92,109	\$95,521

**Table 2
 Expenditures Under HB 18-1430 (Cont.)**

Cost Components	FY 2018-19	FY 2019-20
Judicial Department		
Personal Services	\$23,696	\$23,696
Economist contracts for Judicial Branch agencies	\$14,214	\$14,214
Centrally Appropriated Costs*	\$5,810	\$5,810
FTE – Personal Services	0.3 FTE	0.3 FTE
Dept (Subtotal)	\$43,720	\$43,720
Total	\$135,829	\$139,241
Total FTE	1.2 FTE	1.3 FTE

* Centrally appropriated costs are not included in the bill's appropriation.

Office of State Planning and Budgeting. The bill will increase expenditures for the OSPB by \$77,962 and 0.9 FTE in FY 2018-19 and by \$79,936 and 1.0 FTE in FY 2019-20 to hire a policy and budget analyst to compile all the necessary information for the long-range financial plan for each executive branch state agency. Costs include personal services and capital, outlay, and annual operating costs. For FY 2018-19, the FTE is prorated to reflect the General Fund paydate shift.

Judicial Department. The bill will increase expenditures in the Judicial Department by \$23,696 and 0.3 FTE starting in FY 2018-19 for a budget analyst.

Judicial agencies that represent indigent persons. Some judicial agencies that represent indigent persons do not have the staff necessary to project what their future budgets will be, as required by the bill. The Office of Alternate Defense Counsel and the Office of Respondent Parents' Counsel will require \$7,107 each to contract with an economist to assist with their long-range financial plan starting in FY 2018-19.

All state agencies. Workload will increase for all executive branch state agencies starting in FY 2018-19, to provide the information necessary to OSPB to develop the long-term financial plan. It is assumed that the increase of workload for executive agencies to provide the necessary information to OSPB can be accomplished within existing appropriations.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$19,957 in FY 2018-19 and \$21,395 in FY 2019-20.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2018-19, the bill requires a \$115,872 General Fund appropriation including:

- \$77,962 to the Office of State Planning and Budgeting;
- \$23,696 to the Judicial Department;
- \$7,107 to the Alternative Defense Counsel; and
- \$7,107 to the Respondent Parent's Counsel.

The OSPB also requires an allocation of 0.9 FTE and the Judicial Department requires an allocation of 0.3 FTE.

State and Local Government Contacts

All State Agencies