



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **HB0061: Revise inter-entity loan process**

Primary Sponsor: Gary Parry

Status: As Introduced

Included in the Executive Budget

Needs to be included in HB 2

Significant Local Gov Impact

Significant Long-Term Impacts

Technical Concerns

Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
Expenditures				
General Fund (01)	\$0	\$0	\$0	\$0
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact

This bill revises the state's inter-entity loan procedures by permitting federal special revenue funds to have a negative fund balance when the agency will be reimbursed for federal expenditures. This bill will eliminate the need for agencies to take out loans at fiscal year-end to satisfy negative cash balances which are reversed after the state's books close. There is no fiscal impact to the state from the changes proposed in this legislation.

FISCAL ANALYSIS

Assumptions

Department of Administration

1. Agencies will continue to bill the grantor entities as allowed by the grant award, and cash will continue to be deposited into the Treasury on a regular basis.
2. Current law requires between 200-300 funds to initiate loans in June/July to satisfy these requirements. Most loans are then reversed shortly after the books close. Time savings from agencies will be spent on other fiscal year-end entries and/or reviews.

GWP

Sponsor's Initials

1/7/25

Date

[Signature]

Budget Director's Initials

1/2/2025

Date