



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