

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6718**  
**BILL NUMBER: HB 1282**

**DATE PREPARED:** Dec 10, 1998  
**BILL AMENDED:**

**SUBJECT:** Appropriations continuation.

**FISCAL ANALYST:** James Sperlik  
**PHONE NUMBER:** 232-9866

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that if the General Assembly fails to adopt before April 30 of an odd-numbered year an appropriation act for the following two state fiscal years, the amounts appropriated for government operations for the current state fiscal year, excluding appropriations for capital expenditures, are appropriated for the next two state fiscal years.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** Under the current statute, if the Legislature fails to enact a state budget, there is a provision for the Governor, Secretary and Treasurer of State to draw warrants from the State Treasury for the necessary and current expenses of the following institutions that the General Assembly is constitutionally obligated to support: all psychiatric hospitals; the Indiana State School for the Deaf; the Indiana State School for the Blind; the Veteran's Home; the Plainfield Juvenile Correctional Facility (the Boys's School.) In addition there are a number of obligations of state agencies that are funded out of continuing appropriations which may be able to continue absent a new budget bill. Another statute (IC 4-9.1-1-7) allows the State Board of Finance to transfer money "between appropriations for any board, department, commission, office, or benevolent or penal institutions of the state." Therefore it is possible that they may transfer funds from these limited number of agencies and institutions to other agencies to cover the necessary expenses for a short period of time.

If a budget act is not adopted, this bill provides that the amounts appropriated for government operations for the current state fiscal year, excluding appropriations for capital expenditures, are appropriated for the next state fiscal year. This bill expands the ability of the state to continue general operations until a new budget bill is adopted. Since the bill excludes appropriations for capital expenditures, any reduction in the current level of spending will be the amount appropriated for capital expenditures.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** All.

**Local Agencies Affected:** All

**Information Sources:**