

HOUSE RESEARCH

Bill Summary

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Overview

This bill requires the executive branch to report and make recommendations on laws that cause general fund accounting to be out of compliance with generally accepted government accounting principles. It also makes inflation one of the variables in the state forecast of general fund revenues and expenditures. Inflation was eliminated from the forecast in 2002, by legislative enactment.

Section

- 1** **List; commissioner of finance duties.** Directs the commissioner to report on any laws that require the general fund to be out of compliance with generally accepted government accounting principles. This list is submitted with the annual state financial report.
- 2 - 3** **Forecast parameters; inflation.** Adds inflation as one of the variables included in the November and February forecast of general fund expenditures. Also requires the commissioner of finance to consult with legislative chairs of Senate finance and House ways and means committees and legislative fiscal staff on the rate and application of inflation in the forecast.

Note: The statutory requirement to include inflation in the forecast was repealed in statute in 2002.

- 4 4** **Part one; governor's budget message.** Adds a requirement that the governor's budget plan submitted to the legislature include recommendations on how to bring the budget into compliance with generally accepted government accounting principles.