

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 176** HLS 21RS 717

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 27, 2021	7:56 PM	Author: THOMPSON
Dept./Agy.: Board of Ethics		Analyst: Monique Appeaning
Subject: Assessment of late fees and penalties		

ETHICS/FINANCIAL DISCLOSURE OR DECREASE SG RV See Note Page 1 of 1
 Provides relative to the assessment of late fees and penalties relative to certain reports and financial disclosure statements required to be filed with the Board of Ethics

Proposed law authorizes the staff of Board of Ethics to assess specific penalties rather than requiring these penalties as in present law. Proposed law establishes a \$25 fee per day, up to a maximum of maximum of \$500, for any late filing fees assessed by the Board of Ethics for any failure to timely file Tier 3 financial disclosure statements and establishes the same maximum for any other report or statement due with a corresponding \$25 per day late fee. Proposed law retains present law and provides the phrase "late filing fees" shall include late filing fees and penalties as the case may be and the term "fee" shall include a fee or penalty as the case may be.

EXPENDITURES	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Board of Ethics reports that there is no fiscal impact on expenditures as a result of the proposed law as it will not require modifying its operating procedures or processes.

REVENUE EXPLANATION

Proposed law may result in an indeterminable decrease in SGF revenues to the state if the Board of Ethics imposes fines for violating the provisions in this legislation as a result to the change in R.S. 42:1124.4(C) changing the wording from penalties "shall" be assessed to "may" be assessed. Additionally, proposed law reduces the penalty from \$50 to \$25 per day and from \$1,500 to \$500 maximum.

For informational purposes:

Based on a three year average, the number of Tier 3 late fee fines assessed was 257 per year. Of that number, 171 were assessed the maximum fine amount. The total fine amount assessed by the Board after waives and suspensions averages approximately \$217,083 per year.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger
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Staff Director