

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 755** HLS 22RS 89

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action: **W/ SEN FLOOR AMD**

Proposed Amd.:

Sub. Bill For.:

Date: June 4, 2022	7:09 AM	Author: SCHEXNAYDER
Dept./Agy.: Treasury		Analyst: Kimberly Fruge
Subject: Expansion of Louisiana Loggers Relief Program		

FUNDS/FUNDING-GRANTS

EGF SEE FISC NOTE SD EX See Note

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Provides for the disbursement of monies received from the American Rescue Plan Act of 2021

Present law establishes the Louisiana Rescue Plan Fund and the Louisiana Loggers Relief Program to provide grants to timber harvesting and timber hauling businesses who suffered revenue losses due to COVID-19. Present law outlines eligibility requirements to receive the grant. Proposed law extends the date of the program to June 30, 2023 and expands the eligibility requires. Proposed law requires \$3 M of the remaining balance of the Loggers Relief Program be deposited into the Louisiana Agriculture Transportation Group Self-Insured Fund.

Present law establishes the Save Our Screen Program to provide grants to movie theater businesses impacted by COVID-19. Proposed law extends the program and provides for the use of supplemental grants.

Proposed law establishes the Political Subdivision Federal Grant Assistance Fund to assist political subdivisions with competitive federal grant opportunities. Proposed law directs the Treasurer transfer \$25 M from the Capital Outlay Saving Fund into the Political Subdivision Federal Grant Assistance Fund.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	\$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>	\$0
Annual Total		\$0	\$0	\$0	\$0	\$0

REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	\$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>	\$0
Annual Total		\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law is expected to have a minimal impact on Statutory Dedications out of the Louisiana Main Street Recovery Rescue Plan Fund in FY 23 for the administration of the Louisiana Loggers Relief Program and Save Our Screens Program. Proposed law extends the deadline and eligibility requirements for the \$10 M in funding for the Louisiana Loggers Relief Program and extends the deadline for the \$4.5 M in funding for the Save Our Screens Program. Present law authorizes the Treasurer to utilize up to 5% of the monies on administrative costs, which include any funds used for consulting services, professional services, information services, and technology services contracts used to implement the distribution of funds. For FY 22, the Treasurer utilized \$81,507 of the fund for the administration of the Louisiana Loggers Relief Program and \$190,606 of the Save Our Screen Program. The Loggers program expended approximately \$1.6 M and, after accounting for the administrative costs, has an unexpended balance of approximately \$8.3 M. The Screens program expended approximately \$3.8 M and, after accounting for the administrative costs, has an unexpended balance of \$497,267.

SEE EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

REVENUE EXPLANATION

Proposed law extends and expands the Louisiana Loggers Relief Program and the Louisiana Save Our Screens Program. Funds for the program come from the Louisiana Main Street Recovery Rescue Plan. Present law requires any unexpended balance from the programs to be transferred to the Louisiana Rescue Plan Fund on June 30, 2022. Proposed law extends the deadline for the programs to June 30, 2023. Currently, the unexpended balance for the Loggers program is approximately \$8.3 M and the unexpended balance for the Screens program is \$497,267 which remains available for the Treasury to distribute and use for administrative purposes under this measure. Proposed law requires \$3 M from the Loggers program be deposited into the Louisiana Agriculture Transportation Group Self-Insured Fund.

Proposed law also establishes the Political Subdivision Federal Grant Assistance Fund to assist political subdivisions with competitive federal grant opportunities. Proposed law directs the Treasurer transfer \$25 M from the Capital Outlay Saving Fund into the Political Subdivision Federal Grant Assistance Fund.

Senate
 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}

Evan Brasseaux

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Interim Deputy Fiscal Officer

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CONTINUED EXPLANATION from page one:
EXPENDITURE EXPLANATION CONTINUED:

Proposed law creates the Political Subdivision Federal Grant Assistance Fund and directs the Treasurer to transfer \$25 M into the fund. Creating a new statutory dedication within the state treasury will result in a marginal workload increase for the Department of Treasury, which can generally be absorbed within existing resources. However, to the extent other legislative instruments create new statutory dedications, there may be additional material costs associated with the aggregate effort to administer these funds. The Treasury performs fund accounting, financial reporting, banking, and custodial functions for 436 special funds. When unable to absorb additional workload with existing resources, the Treasury anticipates that it will be required to add one T.O. position at a total personnel services cost of approximately \$73,000 plus approximately \$2,450 for a one-time purchase of new office equipment. These expenditures are assumed to be SGF in this fiscal note.

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}

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