

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 661** HLS 17RS 1363

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 28, 2017 10:15 AM	Author: JACKSON
Dept./Agy.: Secretary of State/LA Bar Foundation	Analyst: Zachary Rau
Subject: Increase in Fees for Annual Notary Reports	

NOTARIES OR +\$410,000 SG RV See Note
Provides relative to the annual notary public filing fee

Present law requires the Secretary of State to collect a fee of up to \$25 for the receiving and processing of each annual notary report. Proposed law increases the fee for annual notary reports by \$25, from \$25 to \$50, and further provides that the additional \$25 be transferred to the LA Bar Foundation to be used for the provision of civil legal services within LA's civil justice system, in which notaries exercise their authority.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	\$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						
REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$410,000	\$410,000	\$410,000	\$410,000	\$410,000	\$2,050,000
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	\$410,000	\$410,000	\$410,000	\$410,000	\$410,000	\$2,050,000

EXPENDITURE EXPLANATION

Proposed law will result in a one-time SGF expenditure of \$36,000 for the Secretary of State. The department anticipates approximately 360 hours of programming for its Commercial Online Reporting System (CORA) at a rate of \$100 per hour that will be performed via professional services contract. The modifications to the system will track the amount of revenues due to the LA Bar Foundation prior to the Secretary of State disbursing them (see Revenue Explanation). The Secretary of State anticipates this cost will be absorbed within the department's current expenditure authority. To the extent multiple pieces of legislation are enacted that require similar modifications, the Secretary of State may require additional SGF resources.

Proposed law further provides that the additional \$25 in revenues (see Revenue Explanation) be transferred to the LA Bar Foundation to be used for the provision of civil legal services within LA's civil justice system. The LA Bar Foundation is a 501 (c)(3) entity, therefore the funds will not be used towards state or local expenditures, though the disbursement of the funds by the Secretary of State to the foundation will be classified as an SGR expenditure within the Secretary of State's budget for budgetary purposes.

REVENUE EXPLANATION

While the exact revenue generated is dependent upon the number of filings, the Secretary of State anticipates that approximately 16,400 is a reasonable estimate of filings in a given year, predicting a transfer of approximately \$410,000 annually to the LA Bar Foundation. The Secretary of State reports filings of 16,444 annual notary reports in FY 16, which yielded \$411,100 in revenues (16,444 * \$25).

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}

Evan Brasseaux

Evan Brasseaux
Staff Director