



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: SB 235 SLS 20RS 482
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: March 11, 2020 2:18 PM Author: CONNICK
Dept./Agy.: Levee Dist. Created After 1/1/2006 & Orleans Levee Dist. Analyst: Barbara Lively
Subject: Constitutional Amendment Allowing Levy of Millages

LEVEES OR NO IMPACT LF RV See Note Page 1 of 1
Constitutional amendment to provide for the taxing authority of levee districts. (2/3 - CA13s1(A))

PURPOSE OF THE BILL: This constitutional amendment allows levee districts created after January 1, 2006 and the Orleans Levee District to levy a maximum of 5 mills without voter approval. The bill also allows those levee districts created after January 1, 2006 (if the necessity to raise additional funds above 5 mills arises) to increase mills after obtaining approval by a majority of the electors.

The impact of this bill is dependent upon approval by Louisiana voters at the statewide election to be held on November 3, 2020.

Table with 7 columns: EXPENDITURES/REVENUES, 2020-21, 2021-22, 2022-23, 2023-24, 2024-25, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures due to election costs of obtaining voter approval for the constitutional amendment. According to the Secretary of State's Office, they routinely budget for the costs of constitutional amendments for statewide primary and general elections. Therefore, this bill would have no fiscal impact related to the election.

REVENUE EXPLANATION

There appears to be no increase in local revenues as a result of this measure as most of the affected Districts are already levying 5 mills (or more); and the bill only affects the processes by which taxes are levied.

The Levee Districts affected by this bill include St. Mary Levee District; Lafitte Area Independent Levee District; Iberia Parish Levee Hurricane Protection and Conservation District; and Orleans Levee District.

Iberia Parish Levee Hurricane Protection and Conservation District would be able to levy up to 5 mills without voter approval (current law requires voter approval). Assuming that this bill only affects the processes by which taxes can be approved and levied, there would be no direct fiscal impact as a result of the provisions set forth in this bill. To provide information regarding revenue associated with the levying of a five mill tax, we obtained information from the District. According to a Board member, levying a 5 mill tax would generate revenue of \$3 million annually.

St. Mary Levee District is currently levying 5 mills.

Lafitte Area Independent Levee District is currently levying over 5 mills.

Orleans Levee District: According to the Flood Protection Authority - East, the Orleans Levee District is currently levying over 5 mills.

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}

Signature of Michael G. Battle
Michael G. Battle
Manager, Advisory Services