

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 97** HLS 20RS 349

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|--|---------|------------------------------------|
| Date: June 1, 2020 | 9:51 AM | Author: LACOMBE |
| Dept./Agy.: Executive/DOA Office of Facility Planning & Control | | Analyst: Willie Marie Scott |
| Subject: Non-state projects of rural water systems | | |

CAPITAL OUTLAY EN NO IMPACT GF EX See Note Page 1 of 1
Removes certain limitations on the exemption from local match requirements for certain rural water system projects.

The proposed law repeals the present law exception of a local match requirement for non-state entity projects of rural water systems servicing 1,000 customers. The proposed law removes the limitation that in order for a rural water system project to be exempt from its local match requirement, the project must extend or connect waterlines to other water systems; and increases the number of customers population served from 1,000 to 1,250. The proposed law is applicable to the funding of all non-state entity projects in the capital outlay bill beginning in FY 21.

| EXPENDITURES | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| 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> | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

| REVENUES | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| 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> | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure since the number of capital outlay projects and the amount of capital outlay spending are functions of the state's available debt capacity which is not impacted by the proposed change to non-state entity projects. The line of credit for non-state entity projects are currently limited to no more than 25% of the cash line of credit for projects, therefore the same total amount will be appropriated for non-state entity projects. Enactment of the proposed legislation may encourage some water systems to apply for capital outlay funds since a local match is not required. This may impact how the total line of credit for non-state entity projects are allocated on a per project basis.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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