

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 639** HLS 21RS 898

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 20, 2021	2:39 PM	Author: ZERINGUE
Dept./Agy.: Treasury		Analyst: Willie Marie Scott
Subject: Infrastructure and Construction Program		

FUNDS/FUNDING

OR NO IMPACT SD EX See Note

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Provides relative to infrastructure funding

The proposed law creates the Matching Assistance and Grants for Infrastructure and Construction (MAGIC) Fund and the Matching Assistance and Grants for Infrastructure and Construction (MAGIC) Program to administer the special fund. The program may provide funding for any of the following purposes: (1) provide match funds and other required local contributions to local governments; (2) establish state programs to assist local government with funding for infrastructure projects; (3) provide funding for coastal infrastructure; (4) provide the state share of matching funds for federal grants or other required contributions for infrastructure projects; (5) finance any infrastructure programs which the federal government authorizes; and (6) provide for any other expenditure consistent with a federal infrastructure program.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	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	2021-22	2022-23	2023-24	2024-25	2025-26	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. Proposed law creates the new statutorily dedicated Matching Assistance and Grants for Infrastructure and Construction Fund, but does not provide a recurring source of revenues to be deposited into the fund. Proposed law creates the Matching Assistance and Grants for Infrastructure and Construction Program to administer the Fund and to assist local governments with infrastructure projects.

Creating a new statutory dedication 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, additional costs are associated with the aggregate effort to administer these funds. The Treasury performs fund accounting, financial reporting, banking, and custodial functions for 404 special funds. When unable to absorb additional workload with existing resources, the Treasury anticipates it will be required to add one position at a total personnel services cost of approximately \$71,000, plus \$2,450 for a one-time purchase of office equipment. These expenditures are assumed to be SGF in this fiscal note.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. Proposed law creates the Matching Assistance and Grants for Infrastructure and Construction Fund Fund as a special fund in the state treasury, but does not provide a recurring source of revenues. The LFO assumes deposits into the fund will be contingent upon transfers or appropriations into the fund by the legislature, or a recurring source will be identified by another legislative instrument.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger

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