



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 341** SLS 24RS 206
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 13, 2024	4:15 PM	Author: HARRIS, JIMMY
Dept./Agy.: Department of Economic Development		
Subject: Major Events Incentive Fund and Program Administration		Analyst: Noah O'Dell

ECONOMIC DEVELOP DEPT RE INCREASE GF RV See Note Page 1 of 1
 Provides relative for the Major Incentive Fund and Program. (gov sig)

Current law requires the Lieutenant Governor, through the Department of Culture, Recreation, and Tourism (CRT) to administer the Major Events Incentive Program to provide funding for specific major events in the state through the Major Events Incentive Fund. Within 60 days after the major event, the Lieutenant Governor is required to submit an economic analysis to the Joint Legislative Committee on the Budget (JLCB) including incremental state tax increases attributable to the event. JLCB may then determine an amount to transfer to the fund. The fund may also accept stand-alone appropriations, grants and donations. CRT also administers the Events Incentive Program.

Proposed law transfers the administration of the Major Events Incentive Program and the Events Incentive Program from CRT to the Division of Administration (DOA) and removes the economic analysis reports required to be presented to JLCB within 60 days after a major event. The bill also removes the incremental tax increase calculations and subsequent deposit of those funds into the Major Events Incentive Fund. The bill also expands the list of major events to include events sanctioned by certain soccer and rugby governing bodies. Effective upon the Governor's signature.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000)	(\$1,500,000)
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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000)	(\$1,500,000)

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

Proposed law is anticipated to decrease \$300,000 SGF expenditures annually beginning in FY 25 as a result of the repeal of the requirement to produce economic impact reports within 60 days following a major event. This fiscal note assumes that events under contract prior to the effective date of the bill will follow current law and continue to require an economic impact report, though the bill is not explicit. Future contracts under proposed law will not require economic impact reports.

The bill transfers the administration of the Major Events Incentive Program and the Events Incentive Program from CRT to the Division of Administration. CRT currently has a \$200,000 appropriation associated with administering those programs and \$300,000 appropriation associated with the economic impact reports. Presumably, the \$200,000 appropriation would be transferred to the DOA, and the \$300,000 for impact reports would no longer be necessary.

The bill adds FIFA, World Rugby, U.S. Soccer, and USA Rugby governing bodies to the list of potential major events. Examples of the events include but are not limited to the World Cup, international "friendlies", and tournaments consisting of teams governed by the entities enumerated above. To the extent one of these new events initiates a contract with a local governing committee, the DOA could evaluate the event for grant funding should it have a sufficient appropriation.

For informational purposes, CRT has corrected its reporting to state that 2 major events within the program are currently scheduled for FY 25 but not yet contracted:

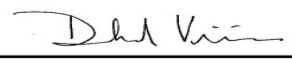
- USA National Karate Championship in Lafayette (\$50,000 - contract pending)
- 2025 SuperBowl in New Orleans (\$10 M - award notification pending)

REVENUE EXPLANATION

The bill is expected to increase SGF revenue and decrease statutory dedications by an indeterminate amount due to the repeal of the mandatory incremental deposit resulting from the economic impact calculation of eligible events.

CRT reports no monies to date have been deposited into the Major Events Incentive Fund due to the incremental tax mechanism provided in current law.

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| <p><u>Senate</u></p> <p><input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}</p> <p><input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}</p> | <p><u>House</u></p> <p><input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}</p> <p><input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}</p> |
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