



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 574 HLS 14RS 135
Bill Text Version: ENGROSSED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: March 31, 2014 12:56 PM
Author: BROSSETT
Dept./Agy.: Seabrook Neighborhood Improvement and Security District
Subject: Fee Reduction
Analyst: David Helminiak

DISTRICTS/NEIGHBORHOOD EG DECREASE LF RV See Note Page 1 of 1
Provides relative to the Seabrook Neighborhood Improvement and Security District in Orleans Parish

Purpose of Bill: This measure provides for the reduction in the parcel fee from \$200 to \$100 for owners at an age of 65 or older and/or full-time active duty members of the armed forces. Additionally, this fee will expire on December 31, 2014, this measure will extend that date until December 31, 2018.

This measure also amends R.S. 33:9091.16 to provide for changes in the composition and terms of governing board members.

Table with 7 columns: EXPENDITURES, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 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 as a result of this measure.

REVENUE EXPLANATION

Local governmental revenues will decrease as a result of this measure.

According to an official with the Seabrook Neighborhood Improvement and Security District, it has been unable to determine the number of residents that will receive a reduction in the parcel fee of \$100 annually. The official stated that there are 1,407 parcels which are charged the current \$200 parcel fee.

As this district is located in New Orleans, we used the 2010 federal census data to estimate the potential reduction in parcel fees. The population of residents 65 and older was 10.9% of the total, which if representative of the ownership of the parcels in the district, would create a decrease in revenues of approximately \$15,000. Revenues would further be reduced for any resident who has been a full-time active duty member of the armed forces of the United States for three consecutive years. There is no information available with which to estimate the impact of this provision on the district's revenues.

This measure will also extend the sunset date on the parcel fee from December 31, 2014 to December 31, 2018. Although there is a sunset of December 31, 2014, the parcel fee can be renewed by resident vote. According to the Seabrook official this vote is currently set for October 2014.

Senate Dual Referral Rules House
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}
6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}
Joy Irwin
Director of Advisory Services