

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 267** HLS 14RS 825

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|--|---------|--------------------------------|
| Date: April 2, 2014 | 9:44 AM | Author: PONTI |
| Dept./Agy.: Treasury/Economic Development | | Analyst: Deborah Vivien |
| Subject: Removes LED and C&I Board from contract/IDB approval | | |

ECONOMIC DEVELOPMENT RE NO IMPACT GF EX See Note Page 1 of 1

Removes requirements of the State Board of Commerce and Industry and the secretary of the Department of Economic Development to approve the issuance of certain bonds

Current law requires State Bond Commission and Board of Commerce & Industry approval of proposed contracts between a parish, ward or municipality and an industrial/economic development project prior to a vote on the debt and before selling bonds. Any proposed instrument providing security for bonds issued by Industrial Development Boards requires approval of the State Bond Commission and the Secretary of Economic Development.

Proposed law removes the Board of Commerce and Industry approval requirement of proposed contracts between a parish, ward or municipality and an industrial/economic development project prior to a vote on the debt and before selling bonds. Proposed law removes the approval requirement of the Secretary of Economic Development for proposed instruments providing security for bonds issued by Industrial Development Boards.

| EXPENDITURES | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 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 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 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. LED indicates that this was an administrative exercise for them and eliminating the Board of Commerce and Industry and LED approval will not have a fiscal impact on the agency budget.

REVENUE EXPLANATION

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

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Gregory V. Albrecht
Chief Economist