



OFFICE OF LEGISLATIVE AUDITOR Fiscal Note

Fiscal Note On: **HB 575** HLS 14RS 1121

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | |
|--|-----------------------------|
| Date: April 17, 2014 10:01 AM | Author: ARNOLD |
| Dept./Agy.: Orleans Parish Juvenile Services Financing District | Analyst: Becky Ewing |
| Subject: Duration of Taxes Levied | |

DISTRICTS/SPECIAL EG SEE FISC NOTE LF RV See Note Page 1 of 1
Provides with respect to the duration of taxes levied for the Orleans Parish Juvenile Services Financing District

Purpose of Bill: This bill changes the duration of a tax which the City of New Orleans is currently authorized to levy for the Orleans Parish Juvenile Services Financing District.

This tax proposition was authorized by the Legislature in 2005 with the provision that the tax, if approved by voters, would expire on December 31, 2014. This tax is not currently being levied. This bill allows the tax to be levied after 2014, if approved by voters, by changing the duration of the tax from a term expiring on December 31, 2014 to a term not to exceed eight years from the date it is levied.

| 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 | \$0 | \$0 | \$0 | \$0 | \$0 | \$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 | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Annual Total | | | | | | |

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this bill.

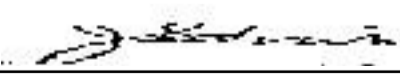
REVENUE EXPLANATION

If approved by voters, this tax may increase local fund revenues for the Orleans Parish Juvenile Court by approximately \$30 million per year.

According to an official with the City of New Orleans, this bill may increase revenues of the Orleans Parish Juvenile Court by approximately \$30 million per year, assuming the maximum tax of 10 mills is approved by a majority of voters in a regularly scheduled election. It appears this figure is based on a \$3 Billion assessed value. Because the bill does not specify when the election for this tax proposition will be held, we cannot determine the year in which the tax would be imposed and collected.

If the tax is approved by voters, present law provides for the City of New Orleans to collect the taxes for the Juvenile Services Financing District. The City will transfer collections, less a 1% fee and required transfers, to the district. The district will deposit all proceeds into the judicial expense fund of the Orleans Parish Juvenile Court to be used as provided by current law.

- 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