



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: SB 674 SLS 14RS 1680
Bill Text Version: ENGROSSED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 23, 2014 2:29 PM Author: NEVERS
Dept./Agy.: Certain Senate and House Committees Analyst: Becky Ewing
Subject: Municipal Incorporation of Unincorporated Areas

MUNICIPALITIES EG +\$24,000 GF EX See Note Page 1 of 1
To provide relative to incorporation of unincorporated areas. (gov sig)

Purpose of Bill: This bill provides for a moratorium on municipal incorporations to be applied retroactively, beginning January 1, 2014, continuing through December 31, 2015. During this time, the residents of an unincorporated area may not petition for municipal incorporation, and any petitions initiated prior to January 1, 2014 shall be suspended unless an election for the incorporation is held on or before November 4, 2014.

This bill also provides for the Senate Committee on Local and Municipal Affairs and the House Committee on Municipal, Parochial and Cultural Affairs to function as a joint committee to review and evaluate the statutes governing municipal incorporation and to consider information from various national and state organizations. This bill requires the joint committee to submit a written report of its findings and recommendations, including any proposed legislation, to the legislature no later than December 1, 2014, so that any proposed legislation may be considered in the 2015 Regular Session.

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

This bill may increase state general fund expenditures by approximately \$24,000 in fiscal year 2014-15.

According to officials with the House and Senate, the costs of the joint committee may be approximately \$24,000 in fiscal year 2014-15, based on the total per diem costs for the members of both committees. This estimate is assuming the joint committee would meet 4 times before the December 1, 2014 deadline to submit its report. These officials did not indicate there would be any other costs involved with the joint committee.

REVENUE EXPLANATION

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

- 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}

Signature of Michael G. Battle
Michael G. Battle
Manager, Advisory Services