

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 295** HLS 15RS 937
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 27, 2015 3:01 PM	Author: BROWN, TERRY
Dept./Agy.: Agriculture & Forestry	
Subject: Provides relative to the Forest Protection Fund	Analyst: Zachary Rau

AGRICULTURE OR DECREASE GF RV See Note Page 1 of 1
 Provides for a forest protection assessment and the transfer of monies received from the assessment to the Louisiana Agricultural Finance Authority

Present law assesses an \$0.08 Forest Protection Tax on each acre of timberland. Proposed law changes language of present law from "Forest Protection Tax" to "Forest Protection Assessment."

Present law states that revenues generated from the Forest Protection Tax be remitted to the statutorily dedicated Forest Protection Fund. Present law states that all unexpended and unencumbered revenues in the Forest Protection Fund be reverted back to the state general fund at the end of the fiscal year. Proposed law modifies present law, directing that all unexpended and unencumbered revenues in the Forest Protection Fund be remitted to the Louisiana Agricultural Finance Authority.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	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	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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						

EXPENDITURE EXPLANATION

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

REVENUE EXPLANATION

To the extent the Forest Protection Fund finishes fiscal years with unencumbered balances, the proposed legislation will result in an increase in revenues for the Louisiana Agricultural Finance Authority and a decrease in state general fund revenues by a like amount. This bill will revert unencumbered and unexpended monies in the Forest Protection Fund to the Louisiana Agricultural Finance Authority rather than the state general fund at the end of the fiscal year. To the extent a balance exists in the Forest Protection Fund at the end of the fiscal year, the funds will stay under the authority of LAFA for its use and would not be available to the general fund.

In FYs 12-14, a total of approximately \$8,000 was remitted from the Forest Protection Fund to the state general fund. As of 04/14/2015, the Forest Protection Fund has a balance of \$496,214 (accruing revenues of \$805,214 with \$309,000 in expenditures to date). The fund's budgeted authority in FY 15 is \$830,000. LDAF does not anticipate a year-end balance to be available to be carried forward into FY 16. However, to the extent a balance in the Forest Protection Fund exists at the end of any fiscal year, it would be remitted to LAFA rather than to the state general fund, and the bill can only work to diminish general fund resources, should a balance be available at fiscal year end.

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| Senate | <u>Dual Referral Rules</u> | House | <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 Rev. Red. to State {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} |

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