

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 530** HLS 17RS 1130

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 7, 2017	6:23 AM	Author: BROADWATER
Dept./Agy.: LA Dept. of Economic Development		Analyst: Zachary Rau
Subject: LA Headquartered Motion Picture Production CE Program		

FUNDS/FUNDING

OR SEE FISC NOTE SD EX

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Establishes the Louisiana Headquartered Motion Picture Production Cooperative Endeavor Program and the Louisiana Headquartered Motion Picture Production Fund

Proposed law establishes the LA Headquartered Motion Picture Production Program. Proposed law establishes the LA Headquartered Motion Picture Production Fund ("fund") within the LA Dept. of Treasury. Proposed law states that the Fund shall consist of all monies appropriated, donated, or otherwise made available to provide funding for the LA Headquartered Motion Picture Production Program. Proposed law provides that all unspent monies in the fund shall remain in the fund at the end of any fiscal year, that interest earned on monies from the fund shall be deposited in the fund, and that all revenue received by the state in connection with the LA Headquartered Motion Picture Production Program shall be deposited in the fund.

EXPENDITURES	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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>	<u>\$0</u>
Annual Total						

REVENUES	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>5 -YEAR TOTAL</u>
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Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

Proposed law may increase state expenditures to the extent the legislature appropriates resources into the newly created LA Headquartered Motion Picture Production Fund or identifies a recurring revenue source. The LA Dept. of Economic Development (LED) reports that 2.5 filled positions are presently associated with overseeing the Motion Picture Investor Tax Credit. To the extent the fund receives a significant recurring revenue source and accompanying expenses requiring greater LED oversight, the department anticipates potentially needing an additional position. In the event that the fund does not receive significant, recurring appropriations, the need for additional staff would be partially or wholly mitigated.

The LA Dept. of Treasury will incur SGF costs related to the creation of a new statutory dedication, including fund accounting, financial reporting, banking and custodial functions. These costs are typically small for individual statutory dedications (likely to be several thousands of dollars) and are typically absorbed within existing resources until cumulative additional dedications necessitate that increased resources be provided. At the point additional resources are necessary, the Treasury reports it will require one additional T.O. position with total personal services costs of approximately \$71,000 as well as one-time costs associated with acquisition of office equipment at approximately \$2,450.

REVENUE EXPLANATION

Proposed law provides that sources of revenues for the LA Headquartered Motion Picture Fund shall be legislative appropriation as well as grants, gifts, and donations received by the state.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director