

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 234** HLS 17RS 555

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | |
|--|------------------------------------|
| Date: May 19, 2017 12:05 PM | Author: ZERINGUE |
| Dept./Agy.: Executive/DOA Office of Facility Planning & Control | Analyst: Willie Marie Scott |
| Subject: Capital Outlay | |

CAPITAL OUTLAY

EG NO IMPACT GF RV See Note

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Provides relative to the local match requirements for non-state entities applying for capital outlay funding.

The proposed law repeals the present law exception for non-state entity projects for which the non-state entity had demonstrated its inability to provide a local match. The proposed legislation authorizes the commissioner of administration to reduce the local match requirement for non-state entity projects to not less than 10% of the total project cost if the non-state entity executes a statement of sponsorship and an agreement to assume all maintenance and operation cost for the project(s). The proposed law is applicable to the funding of all non-state entity projects in the capital outlay bill beginning with FY 18.

| EXPENDITURES | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 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 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 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 since the number of capital outlay projects and the amount of capital outlay spending are functions of the state's available debt capacity which is not impacted by the proposed change to non-state entity projects.

REVENUE EXPLANATION

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

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