

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 664** HLS 18RS 837

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 27, 2018 4:34 PM	<b>Author:</b> EDMONDS
<b>Dept./Agy.:</b> Legislature	<b>Analyst:</b> Willie Marie Scott
<b>Subject:</b> Government Review Commission	

SUNSET LAW OR INCREASE GF EX See Note Page 1 of 1  
Provides for the termination of statutory entities, programs, and activities unless evaluated as directed by the Government Review Commission.

The proposed legislation creates the Government Review Commission, comprised of 9 members, to have the Legislative Auditor cause certain evaluations of statutory entities or departments and all programs and activities to occur and to issue reports under certain circumstances. Each member of the Commission shall serve without compensation; and shall meet no later than January 15th each even-numbered year to establish a schedule of meetings necessary. The Legislative Auditor shall, in consultation with the Commission, contract with one or more independent 3rd parties for the purpose of evaluating and reporting on each entity and all activities and programs performed by each as required in the proposed legislation. Requires the Legislature to provide adequate funds to the Legislative Auditor to carry out the functions required. It further provides the termination of certain entities if the evaluations and reports are not completed.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Enactment of the proposed legislation will result in an increase in expenditures. However, costs will depend upon the size of the entity, availability of information and cooperation of agency staff, and actual bids received from contractors. According to the Legislative Auditor, an average cost of \$66,000 is projected for each of the 14 impacted entities. Assuming that each agency will prepare its own sunset draft report for review by the contractors, a similar report of the same size and detail as that recently prepared by CRT could easily take more than 200 hours at a minimum cost of \$22,000 (\$110 X 200 hours). A larger and more complicated agency, such as DOTD, that does not prepare its own draft report, and/or an agency where information availability is a problem could result in more than 1,000 hours at a cost of \$110,000 ( \$110 x 1,000 hours). Assuming an average cost of \$66,000 for each of the 14 impacted agencies, total estimated costs would be \$924,000.

**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*  


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**Evan Brasseaux**  
**Staff Director**