



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: SB 426 SLS 18RS 57
Bill Text Version: REENGROSSED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 13, 2018 12:37 PM Author: LAFLEUR
Dept./Agy.: Political Subdivisions Analyst: Steven Kraemer
Subject: Debt/Bonds Clarification

BONDS RE NO IMPACT LF EX See Note Page 1 of 1
Provides relative to the Consolidated Local Government Public Finance Act. (See Act)

Purpose of the Bill: This bill consolidates, clarifies, and makes uniform certain legal requirements related to debt (e.g. bonds) of political subdivisions, including the issuance of debt. In addition, this bill authorizes school boards to issue revenue bonds.

Table with 7 columns: EXPENDITURES, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total. All values are \$0.

EXPENDITURE EXPLANATION

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

Based on discussions with Legislative Legal Staff, State Bond Commission Staff, an official with the Secretary of State's Office, an official with the Attorney General's (AG) Office, a local government official, and two bond attorneys, it appears that this bill will not have a direct material impact on governmental expenditures or revenues.

Generally, the bill is consolidating provisions that are spread throughout current law in to a more uniform and streamlined set of statutes. Also, the bill provides that bonds do not have to be filed with the Secretary of State's Office; however, an official with this Office indicated that this provision would not affect expenditures or revenues. In addition, this bill authorizes school boards to issue revenue bonds; however, this change appears to only provide school boards with an additional option when borrowing money. Finally, while the bill reduces the AG's required review of attorney's fees related to employment of counsel for bond issuance, the AG's Office indicated that there will be no effect on expenditures or revenues.

REVENUE EXPLANATION

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

See details under the "Expenditure Explanation" section above.

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}

Signature of Michael G. Battle
Michael G. Battle
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