LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 591** HLS 18RS 909
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: May 17, 2018 7:56 AM
Author: LEGER
Dept./Agy.: LA Dept. of Economic Development/Secretary of State
Subject: Creates the LA Small Business & Entrepreneurship Council
Analyst: Zachary Rau

ECONOMIC DEVELOPMENT EN SEE FISC NOTE GF EX See Note
Creates the Louisiana Small Business and Entrepreneurship Council

Proposed law creates the LA Small Business & Entrepreneurship Council, provides for membership of its board of directors, and establishes the composition of the board of directors. Proposed law provides for the duties and responsibilities of the council. Proposed law domiciles the council in Baton Rouge, LA. Proposed law sunsets on June 30, 2022.

EXPENDITURES	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**5 -YEAR TOTAL**
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	$0	**$0**
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total					**$0**	**$0**

REVENUES	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**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	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

EXPENDITURE EXPLANATION

Proposed law will increase SGF expenditures by an indeterminable, though likely nominal, amount for the LA Dept. of Economic Development. Furthermore, proposed law will affect SGR expenditures by an indeterminable, though likely nominal amount for the Secretary of State. Proposed law establishes the LA Small Business and Entrepreneurship Council and provides that members of the council's board of directors will serve without compensation, but are entitled to reimbursement for necessary expenses incurred while performing their official duties pursuant to state travel regulations (PPM 49). Two seats on the board of directors are reserved for the Secretary of LED and the Secretary of State or their respective designees. Travel expenses for the Secretary of LED and the Secretary of State will be funded using their respective agencies' travel budgets. Staff at LED and the Secretary of State report that expenditure increases associated with proposed law will be nominal and funded utilizing existing resources and budget authority.

Furthermore, due to the Secretary of LED serving as "president of the corporation" pursuant to LA R.S. 51:2375(D) of proposed law, LED is the designated governing department for the council and therefore responsible to reimburse qualifying expenses of the council's board of directors chosen from industry. LED staff report that reimbursing expenses for members from industry on the board of directors are anticipated to result in nominal expenditures that the department will fund utilizing existing resources and budget authority.

For informational purposes, staff at LED report that the current intent is for the board to meet quarterly in Baton Rouge. Furthermore, the operations of the council sunset at the end of FY 22.

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