

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 40** SLS 19RS 252

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|--|----------|-----------------------------------|
| Date: June 1, 2019 | 11:05 AM | Author: THOMPSON |
| Dept./Agy.: Agricultural and Forestry | | Analyst: Alan M. Boxberger |
| Subject: Repeals the Boll Weevil Eradication Fund and assessments | | |

FUNDS/FUNDING

EN NO IMPACT See Note

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Repeals the Boll Weevil Eradication Fund and assessments on cotton producers and provides for the disposition of funds. (gov sig)

Proposed law repeals **present laws** (R.S. 3:1613, 1615, 1616, and 1617). R.S. 3:1613 provides for a voluntary assessment on cotton producers to offset the cost of boll weevil suppression or eradication programs, including but not limited to all costs of any regulatory and enforcement activities of the department. R.S. 3:1615 creates the Boll Weevil Eradication Fund within the state treasury and provides for the disposition of all assessments, fees, penalties, and other funds. R.S. 3:1616 subjects cotton producers to a per acre penalty for failure to pay assessments levied under present law. R.S. 3:1617 requires the commissioner to place a lien on cotton, or its proceeds, for the payment of assessments and further authorizes the commissioner to issue executions for the collections of such assessments. **Proposed law** provides that any monies remaining in the Boll Weevil Eradication Fund shall be transferred to the Horticulture and Quarantine Fund. Further provides that all fees, penalties, and other funds received pursuant to **present law** shall be deposited into the Horticulture and Quarantine Fund. **Proposed law** removes all references to assessments.

| EXPENDITURES | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 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 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 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

Proposed law is anticipated to have a net zero impact on Louisiana Department of Agriculture and Forestry (LDAF) expenditures. **Proposed law** eliminates the Boll Weevil Eradication Fund, but the services provided by LDAF concerning Boll Weevil maintenance will continue and will be paid for out of the Horticulture and Quarantine Fund. LDAF expended an average of \$15,800 from FY 15 - 18 out of the Boll Weevil Eradication Fund that will now be paid out of the Horticulture and Quarantine Fund.

REVENUE EXPLANATION

Proposed law is anticipated to have a net zero impact on Louisiana Department of Agriculture and Forestry (LDAF) statutorily dedicated revenues. **Proposed law** eliminates the Boll Weevil Eradication Fund, but maintenance inspections and the associated fees will continue and will now be deposited into the Horticulture and Quarantine Fund. In addition, any remaining balance in the Boll Weevil Eradication Fund will be deposited into the Horticulture and Quarantine Fund. The Boll Weevil Eradication Fund received \$80,059 from FY 15 - FY 18 (annual average of \$20,015) in maintenance inspection fees and has not collected assessments since FY 15. Prior to the eradication of the boll weevil, this fund received \$6.9 M from FY 10 - FY 14 (annual average of \$1.4 M). There is currently \$21,687 in this fund, but no incurred or encumbered expenditures.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director