

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 76** HLS 21RS 425

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 27, 2021	10:34 AM	Author: LACOMBE
Dept./Agy.: Executive/DOA Office of Facility Planning & Control		Analyst: Willie Marie Scott
Subject: Non-state projects of rural water systems		

CAPITAL OUTLAY

EG NO IMPACT GF EX See Note

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Provides relative to the exemption from local match requirements for certain rural water system projects

The proposed law repeals the present law exception of a local match requirement for non-state entity projects of rural water systems servicing less than 1,250 customers. The proposed law increases the number of customers population served from less than 1,250 to fewer than 5,000. The proposed law applies to the funding of all non-state entity projects in the capital outlay budget commencing on or after 7/1/2021.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	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	2021-22	2022-23	2023-24	2024-25	2025-26	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. The line of credit for non-state entity projects are currently limited to no more than 25% of the cash line of credit for projects, therefore the same total amount will be appropriated for non-state entity projects. Enactment of the proposed legislation may encourage some water systems to apply for capital outlay funds since a local match is not required. This may impact how the total line of credit for non-state entity projects is allocated on a per project basis.

REVENUE EXPLANATION

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

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}

Alan M. Boxberger

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Staff Director