

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 61** HLS 22RS 313

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: February 21, 2022 3:01 PM	Author: KERNER
Dept./Agy.: Department of Natural Resource	Analyst: Kimberly Fruge
Subject: Extends the Fishermen's Gear Compensation Fund	

FISHING OR INCREASE SD RV See Note Page 1 of 1
Extends the Fishermen's Gear Compensation Fund and extends payments into the Underwater Obstruction Removal Fund

Present law provides that the Fisherman's Gear Compensation Fund pay compensation for damages suffered by a commercial fisherman as a result of hitting or snagging on an obstruction or a hazard in waters of the state resulting from natural occurrences, oil and gas activities, or other activities where the obstruction is unknown. Provides for the existence of the Fisherman's Gear Compensation Fund and that payments into the Underwater Obstruction Removal Fund shall cease June 30, 2022.

Proposed law extends payments into the Underwater Obstruction Removal Fund from June 30, 2022, to June 30, 2026, and extends the existence of the Fisherman's Gear Compensation Fund from June 30, 2022, to June 30, 2026.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	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	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	\$0	\$0	INCREASE	\$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

EXPENDITURE EXPLANATION

Proposed law extends the Fisherman's Gear Compensation Fund and payments into the Underwater Obstruction Removal Fund from June 30, 2022 to June 30, 2026. The Department of Natural Resources indicates there will be no implementation costs for these extensions.

REVENUE EXPLANATION

There may be a direct material effect on government revenues as a result of this measure. The statutorily dedicated Fisherman's Gear Compensation Fund administered by the Department of Natural Resources (DNR) is currently funded by fees assessed on lessees of state mineral leases and grantees of state pipeline right-of-way in the coastal zone of Louisiana on a per-unit basis. The department levies the fees when the balance of the fund reaches \$250,000 or below. The most recent assessments were done in FY 17 and FY 20. When the threshold was triggered, the department collected \$2.3 M in FY 17 and \$2.1 M in FY 20. Under the proposed law and based on historical trends, the Legislative Fiscal Office assumes there will be assessments in FY 23 and FY 26.

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}

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