



**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**

Fiscal Note On: **SB 24** SLS 22RS 41  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 25, 2022 9:57 AM	<b>Author:</b> FIELDS
<b>Dept./Agy.:</b> Revenue	
<b>Subject:</b> Rebate for Classroom Teachers	<b>Analyst:</b> Garrett Ordner

EDUCATION DEPARTMENT OR -\$57,600,000 GF RV See Note Page 1 of 1  
 To provide a rebate for elementary and secondary teachers providing full-time classroom instruction in this state. (gov sig)

Proposed legislation provides a \$1,000 annual rebate to each classroom teacher employed full-time in Louisiana during the school year at an elementary or secondary school approved by the State Board of Elementary and Secondary Education (BESE). Provides that the Department of Education (LDE) may promulgate rules, forms, and instructions, which may include a requirement that documentation be submitted or records be retained which will enable LDE to determine the individual's eligibility for the rebate. Provides that the Department of Revenue (LDR) shall issue the rebates after the secretary of the LDE certifies eligibility and provides the necessary data for the issuance of the rebates to LDR. Requires the secretary of LDE to provide the data for the issuance of rebates to LDR in the format required by LDR.

<b>EXPENDITURES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	(\$57,600,000)	(\$57,600,000)	(\$57,600,000)	(\$57,600,000)	(\$57,600,000)	<b>(\$288,000,000)</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>(\$57,600,000)</b>	<b>(\$57,600,000)</b>	<b>(\$57,600,000)</b>	<b>(\$57,600,000)</b>	<b>(\$57,600,000)</b>	<b>(\$288,000,000)</b>

**EXPENDITURE EXPLANATION**

There will be increased state costs for program administration associated with the proposed tax rebate. The Louisiana Department of Education (LDE) estimates its first-year costs at \$672,577 to create fifteen (15) new part-time positions and acquire necessary software, and the Louisiana Department of Revenue (LDR) estimates its first-year costs at \$121,389 to create one (1) position and make modifications to its computer system and tax forms. Total FY 23 costs are therefore expected to be \$793,966. Costs will vary to the extent that LDE is able to conduct the review process using a combination of additional full-time staff, existing staff working overtime, and/or temporary WAE positions; however, this is indeterminable. Ongoing costs across both departments will exceed \$572,000 annually in following years.

LDE estimates it will need fifteen (15) part-time Education Program Consultant 3 positions (25% of full-time) to review applications for the rebate, including any forms and documentation requirements promulgated by BESE, before providing certification to LDR, for a personnel cost of \$372,653 per year. LDE reports it will require \$281,054 in FY 23 for professional services associated with acquiring applicable data collection and validation software, and \$109,135 annually thereafter. It will also require \$18,870 per year in operating expenses, including \$1,108 in travel expenses and \$150 in supplies expenses per position. LDE states that the qualifications and training required for the role would likely necessitate hiring full-time employees; however, the review process may be conducted by a combination of additional full-time staff, existing staff working overtime, and/or temporary WAE positions.

LDR reports it will need \$70,029 to hire one (1) Revenue Tax Specialist (\$43,186 salary and \$26,843 related benefits) to test the necessary computer system modifications, handle inquiries, and resolve processing issues. LDR reports that it will require \$51,360 in professional services for computer system development and modification, tax form redesign, and testing.

**REVENUE EXPLANATION**

LDE estimates there are approximately 50,000 public school teachers in Louisiana. Based on reported nonpublic school enrollment data, LDE estimates there are at least 7,600 teachers at approved nonpublic schools. While this number will fluctuate over time, **57,600 teachers receiving a \$1,000 annual tax rebate would constitute an annual revenue loss of \$57,600,000 per year.**

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  
 Interim Deputy Fiscal Officer