



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 463** SLS 22RS 848
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: **REVISED**

Date: April 14, 2022	3:17 PM	Author: WHITE, B
Dept./Agy.: Executive Office		
Subject: Coastal Area Flood Protection Board/Authority/Fund		Analyst: Kimberly Fruge

FUNDS/FUNDING OR INCREASE GF EX See Note Page 1 of 2
 To create the Coastal Area Flood Protection Authority. (7/1/22)

Proposed law creates the Coastal Area Flood Protection Board, within the Office of the Governor, to provide flood protection and coastal area restoration in order to achieve a long-term solution for coastal area protection. Proposed law provides for members of the board. Proposed law provides for the power and duties of the Board. Proposed law creates the Coastal Area Flood Protection Authority as the implementation and enforcement arm of the Board. Proposed law provides for the powers and duties of the Authority. Proposed law creates an executive director and deputy secretary director of the Authority and provides for their powers and duties, including the ability to employ staff, if sufficient funding is available, to help effectively administer the Authority. Proposed law requires the Board to develop a master and annual plan for integrated coastal area protection, to be implemented by the Authority. The plans must be approved by the legislature annually. Proposed law creates the Coastal Area Flood Protection Fund within the state treasury. The funds deposited into the account shall be used for flood protection in coastal areas, as determined by the Board.

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

EXPENDITURE EXPLANATION

Proposed law will result in a significant increase in state expenditures for the administration and implementation of the Coastal Area Flood Protection Board and Authority. Proposed law creates the Coastal Area Flood Protection Board, within the Office of the Governor, and the Coastal Area Flood Protection Authority--the enforcement and implementation arm of the Board. Proposed law creates the Coastal Area Flood Protection Fund within the state treasury.

Proposed law requires the appointment of an executive director of the Coastal Area Flood Protection Authority and provides for an array of powers and duties of the executive director. Proposed law also creates a deputy executive director position. The Executive Office reports that the staffing requirements necessary to operate an effective Coastal Area Flood Protection Authority would likely incorporate four (4) new T.O. positions, an executive director and a deputy executive direction, as proposed under this measure, and a chief financial officer and administrative assistant. The Legislative Fiscal Office cannot corroborate the workload necessity detailed by the Executive Office. To the degree that staffing levels are greater or less than that estimated by the Executive Office, costs would change proportionally.

The Executive Office estimates costs at \$797,684 for FY 23:

- \$632,684 Personal Services (see page 2 for breakdown of salaries and related benefits)
- \$77,000 Operating Expenses (travel, software, supplies, rent, subscriptions, etc.)
- \$50,000 Professional Services (\$45,000 for a consultant fee + \$5,000 consultant travel)
- \$38,000 Equipment (laptop, desktop, telephone, one-time costs for office furniture)

For subsequent fiscal years, the equipment costs decreases to \$7,700 annually, decreasing expenditures to \$767,384. To the extent raises are given in subsequent fiscal years the costs for personal services will increase accordingly. All other categories remain constant in the out years.

SEE EXPENDITURE EXPLANATION CONTINUED PAGE TWO

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

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Interim Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:

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EXPENDITURE EXPLANATION CONTINUED:

Salary Breakdown:

Position	Salary	Related Benefits
Executive Director	\$ 150,000	\$ 69,745
Deputy Director	\$ 125,000	\$ 59,358
Chief Financial Officer	\$ 100,000	\$ 48,970
Administrative Assistant	\$ 51,000	\$ 28,611
Total	\$ 426,000	\$ 206,684

To the extent funds become available through legislative appropriation, federal funds, grants, or donations, expenditures out of the Coastal Area Flood Protection Fund may increase to administer and implement the master and/or annual plan proposed by the Coastal Area Flood Protection Board.

Creating a new statutory dedication within the state treasury will result in a marginal workload increase for the Department of Treasury, which can generally be absorbed within existing resources. However, to the extent other legislative instruments create new statutory dedications, there may be additional material costs associated with the aggregate effort to administer these funds. The Treasury performs fund accounting, financial reporting, banking, and custodial functions for 436 special funds. When unable to absorb additional workload with existing resources, the Treasury anticipates that it will be required to add one T.O. position at a total personnel services cost of approximately \$73,000 plus approximately \$2,450 for a one-time purchase of new office equipment. These expenditures are assumed to be SGF in this fiscal note.

Senate Dual Referral Rules
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