

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 462** HLS 23RS 675
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: May 26, 2023	3:12 PM	Author: EDMONDS
Dept./Agy.: Treasury		
Subject: Posting Fiscal Information on Websites		Analyst: Kimberly Fruge

SCHOOLS/FINANCE EG1 +\$232,710 GF EX See Note Page 1 of 1
 Requires public school governing authorities to post certain fiscal information on their websites

Proposed law requires each city, parish, and other local school board to post its budget and general summary, as provided for in present law, on its website. Propose law further requires the city, parish, and other local school board to post the auditor report by the Louisiana Legislative Auditor on its website. Proposed law also requires each city, parish, and other local school board to post reports detailing actual revenues, receipts, expenditures, and disbursements on its website on a quarterly basis. Propose law further requires the reports to include information concerning the school board's contracts for each question, including without limitation the identity of each vendor, the purpose of each contract, and payments associated with each contract.

Proposed law requires each city, parish, and other local school board to send these reports to the Treasury. The Treasury is required to post the information on its website. Subject to the availability of funds, proposed law requires the Treasury to provide an online tool for comparison of school board budgets and expenditures, in total and on a per pupil basis.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$232,710	\$207,818	\$210,452	\$214,766	\$215,961	\$1,081,707
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	SEE BELOW					
Annual Total						
REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	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 will result in an increase in expenditures within the Treasury to collect, interpret, and make available on its website the financial information provided by each city, parish, and other local school board. The department indicates it will incur one-time costs in FY 24 of \$145,000 to secure the technology platform necessary to retain, collect, and maintain the budget data for use in the public database tool and a recurring cost of \$120,000 in FY 25-FY 28 to run and maintain the software. In addition, the department reports it will require one additional T.O. position, a data analyst, to collect, interpret, and make the data available online. The department estimates the position will have an average salary of \$60,000 plus related benefits. Assuming a 2% annual market rate adjustment, the department estimates the new position will increase expenditures as follows: FY 24 - \$85,260, FY 25 - \$87,818, FY 26 - \$90,452, FY 27 - \$93,166, FY 28 - \$95,961. The department also estimates it will need \$2,450 in FY 24 to provide equipment necessary for the new position and \$1,600 in FY 27 to update the equipment. With operating expenses for the software and the additional personnel services, the total cost for the Treasury is as follows: FY 24 - \$232,710 (\$145,000 software + \$85,260 salary and related benefits + \$2,450 equipment), FY 25 - \$207,818 (\$120,000 software + \$87,818 salary and related benefits), FY 26 - \$210,452 (\$120,000 software + \$90,452 salary and related benefits), FY 27 - \$214,766 (\$120,000 software + \$93,166 salary and related benefits + \$1,600 equipment), and FY 28 - \$215,961 (\$120,000 software + \$95,961 salary and related benefits).

Proposed law may result in an increase in expenditures to school boards across the state. Most school boards already provide some information on their websites. To the extent proposed law requires school boards to post financial reports and contract information made available to the school board on its website (for example, account payable disbursement reports), costs will likely be minimal. Alternatively, if school boards are required to produce more detailed reports about orders, grants, or other contract documentation, costs will increase. Representatives from various school boards have indicated that this will increase the workload required of them, specifically in regards to the contract reports. While some school boards have indicated that the increased workload is absorbable with existing staff, most have indicated they will need additional support. Some school boards have also indicated they would need additional software to create the semiannual reports. Actual costs will vary by school board and will depend on whether additional personnel is needed and which data/reporting format the school board decides to use.

REVENUE EXPLANATION

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

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	<i>Evan Brasseaux</i>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Evan Brasseaux Interim Deputy Fiscal Officer