



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 341** SLS 24RS 206
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 12, 2024 12:49 PM	Author: HARRIS, JIMMY
Dept./Agy.: Department of Economic Development	
Subject: Major Events Incentive Fund and Program Administration	Analyst: Noah O'Dell

ECONOMIC DEVELOP DEPT OR SEE FISC NOTE Page 1 of 1
 Provides relative for the Major Incentive Fund and Program. (gov sig)

Current law requires the Lieutenant Governor, through the Department of Culture, Recreation, and Tourism (CRT) to administer the Major Events Incentive Program to provide funding for specific major events in the state through the Major Events Incentive Fund. Within 60 days after the major event, the Lieutenant Governor is required to submit an economic analysis to the Joint Legislative Committee on the Budget (JLCB) including incremental state tax increases attributable to the event. JLCB may then determine an amount to transfer to the fund. The fund may also accept stand-alone appropriations, grants and donations. Rule promulgation direction is repealed.

Proposed law retains current law and transfers the administration of the Major Events Incentive Program from CRT to the Department of Economic Development (LED).

Effective upon the Governor's signature.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

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

Presumably, the entire appropriation from the Major Events Incentive Fund (\$14 M in FY 25, HB 1 of 2024 RS) will be transferred from CRT to LED for a net expenditure impact of \$0. According to the bill, LED would now be responsible for new and existing contracts with qualified events that obligate a state financial commitment under the Major Events Incentive Program. In addition, LED would also provide economic impact reports to JLCB following eligible events to help determine an amount to be transferred to the fund.

LED reports that it can absorb the management of the program with current staff based on knowledge of administrative requirements attained when administering the program prior to Act 751 of 22 RS. However, outside contracts for economic impact reports would require a transfer of funding to LED from CRT. Currently, CRT contracts with LSU to provide economic impact reports at an estimated cost of \$25,000 per report paid with SGF. Based on current activity in the program, CRT forecasts 6 economic impact reports per fiscal year.

The initial transfer from LED to CRT of \$500,000 SGF and the creation of one position to administer this program, in addition to the Events Incentive Program, occurred in the FY 23 budget. CRT will continue to administer the Events Incentive Program after the transfer of the Major Events Incentive Program. According to both agencies, at the current levels of program activity, \$150,000 per year in SGF would be transferred from CRT to LED. The Legislative Fiscal Office (LFO) cannot corroborate the \$150,000 amount suggested for transferal is the total amount necessary for administration of the Major Events Incentive Program. This amount will depend upon future project activity and represents only a portion of the \$500,000 appropriation in CRT for administration of both the Events Incentive Program and the Major Events Incentive Program. Because these SGF and statutory dedication transfers do not require additional state dollars, there is no expenditure impact.

For informational purposes, CRT reports two major events within the program are already scheduled for FY 25:

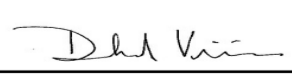
- USA National Karate Championship in Lafayette (\$50,000 - contracted)
- 2025 SuperBowl in New Orleans (\$10 M - award notification pending)

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}



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