

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 593** HLS 24RS 918

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 30, 2024	1:06 PM	Author: HILFERTY
Dept./Agy.: State Civil Service		Analyst: Kimberly Fruge
Subject: Transfer of New Orleans Sewerage and Water Board		

SEWERAGE/N O WATER BD OR INCREASE LF EX See Note Page 1 of 1
 Provides for a transfer of the employees of the New Orleans sewerage and water board from the city civil service system to the state civil service system
 Proposed law transfers the employees of the New Orleans Sewerage and Water Board from the New Orleans city civil service system to the state civil service system.

EXPENDITURES	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.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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						

EXPENDITURE EXPLANATION

Proposed law will result in an indeterminable increase in Local Funds expenditures for the New Orleans Sewerage and Water Board and may lead to an increase in SGR expenditures for the State Civil Service to transfer employees from the city civil service. The Department of State Civil Service anticipates that the cost of adding the New Orleans Water and Sewerage Board to the state civil service system to be minimal, but is uncertain how much time, effort, and resources will be needed to add the employees to the system. To the extent the workload is greater than anticipated the department may realize an increase in expenditures.

According to a representative of the New Orleans Sewerage and Water Board, they currently do not pay any fees to be a part of the city civil service. Under the State Civil Service system, the Board would be responsible for paying the fees set forth in RS 42:1383, which is based on a percentage of annual gross salaries within the agency. The total fee the Board will be required to pay is indeterminable until State Civil Service is able to assess each position for the existing jobs. According to the New Orleans City Civil Service, there are approximately 1,230 classified employees at the Board.

The New Orleans City Civil Service is unable to estimate the impact of transferring the employees but expects any impact to be minimal.

REVENUE EXPLANATION

Proposed law will result in an indeterminable increase in SGR revenues for the Department of State Civil Service to incorporate the New Orleans Sewerage and Water Board into the state system. The department reports that the Board will be added to the Statewide Cost Allocation Plan and will charge the Board based on a percentage of annual gross salaries within the agency. The total revenue increase is indeterminable until the State Civil Service is able to assess each position for the existing jobs. According to the New Orleans City Civil Service, there are approximately 1,230 classified employees at the Board.

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}

Patrice Thomas
Deputy Fiscal Officer