



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: SB 54 SLS 25RS 176

Bill Text Version: ENGROSSED

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 13, 2025	7:53 AM	Author: MIZELL
Dept./Agy.: Treasury/AG/		
Subject: Provides a limited jurisdiction fiscal administrator		Analyst: Deborah Vivien

LOCAL AGENCIES

EG SEE FISC NOTE LF RV See Note

Provides for a limited fiscal administrator for political subdivisions. (8/1/25)

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Current law allows the legislative auditor, attorney general and treasurer to appoint a fiscal administrator over jurisdictions in financial distress. The administrator has broad power over all departments and functions of the distressed entity.

Proposed law retains current law and allows the same appointees to choose to appoint a limited jurisdiction fiscal administrator to a distressed jurisdiction with a more confined power over specific departments or functions of the entity. Proposed law states certain circumstances requiring mandatory appointment, but the bill also allows appointment if the distress is related to prohibition of public funds due to noncompliance with the audit law. Various conditions for appointment and reporting requirements are explicit in law.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	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

To the extent that entities in the state require a limited jurisdiction fiscal administrator, the bill may serve to reduce spending at the local level as the duties of the fiscal administrator in the bill appear to be less broad than under current law. However, the number of entities requiring this type of assistance is not known, therefore a fiscal impact cannot be determined. The Fiscal Administrator Revolving Loan Fund provides a means through which the distressed entity pledges to repay a state loan for associated costs and may be utilized for actions authorized by the bill. The revolving loan fund receives a periodic deposit from the legislature and presumably will also receive any repayments. It is not clear if this bill will require an additional appropriation into the Fund.

Costs of the legislative auditor, attorney general and treasurer are expected to be minimal, if any, and absorbed within the typical duties of the appropriate departments.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The fiscal note makes no judgment on the outcome of the decisions of the limited jurisdiction fiscal administrator and their impacts on distressed governments.

Senate

Dual Referral Rules

House

- ☐ 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
- ☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}
- ☐ 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}

Alan M. Boxberger
Legislative Fiscal Officer