

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 253** SLS 11RS 542

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | |
|---|-----------------------------------|
| Date: June 2, 2011 11:05 AM | Author: JACKSON, L. |
| Dept./Agy.: Treasury Bond Commission | Analyst: Evelyn McWilliams |
| Subject: Bond Issued by Public Trust | |

BONDS EG NO IMPACT RV See Note Page 1 of 1
Provides relative to the issuance of bonds by public trusts. (8/15/11)

Reduces the required publication of the notice of intent to issue bonds or other debt obligations by a public trust from once a week for four weeks, to once a week for two weeks. Removes requirement for State Bond Commission's approval of the notice of intention. Changes the seller of such bonds from the State Bond Commission to the public trust. Expands authority (from public trusts in Jefferson Parish) requiring lessee of each of the projects of the public trust to pay annually a sum in lieu of ad valorem taxes to compensate for services, to all public trusts. Effective when approved by a resolution of the parish, municipality, or a political or governmental subdivision which is the beneficiary of such public trust.

| EXPENDITURES | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 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 |

| REVENUES | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 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

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

REVENUE EXPLANATION

The bill does not increase or decrease direct revenues to the state. The State Bond Commission has the power to impose fees on debt applications, including application and closing fees relate to such issuance of debt. Present law requires two State Bond Commission approvals for certain debt issuance of a public trust for which the State Bond Commission only collects one application fee for both approvals. A reduction in the number of Sate Bond Commission approvals will not change the amount collected from application and closing fees. Debt issuances by public trusts will still require State Bond Commission approval.

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|---|----------------------------|--|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | <input type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S} | Gregory V. Albrecht Chief Economist |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | <input type="checkbox"/> 6.8(F)2 >= \$100,000 Annual SGF Cost {H&S} | |
| | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | |