

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 421** HLS 13RS 790

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 10, 2013	1:24 PM	Author: PONTI
Dept./Agy.: State Licensing Board of Contractors		Analyst: Stephanie C. Blanchard
Subject:		

CONTRACTORS OR +\$1,768,000 SG RV See Note Page 1 of 1
Adds a fee at license renewal for contractors dedicated to certain schools of construction management or construction technology

Present law provides for renewal of licenses for contractors and allows for the licensing board for contractors to include on each license renewal form an optional election to allow for the donation of additional funds to a specified public university or community college foundation, which shall be remitted to the chosen foundation to be used solely for construction management programs. Proposed law deletes provisions regarding optional donations and instead requires the board to assess each license renewal for contractors, except those issued for residential construction, an additional fee of \$100 per year to be dedicated to public university or community college schools of construction management or construction technology. The funds shall be used solely for the benefit of the program and shall be in addition to any other monies received by the schools. Any school that experiences a decrease in the funding appropriated to them by the public university or community college to a level that falls below the amount of funding received in the 2012 school year, shall be ineligible to receive the monies from the fund. The funds collected shall be distributed one half pro rata to each university or community college and one half pro rata to each university school of construction management or construction technology based on the total number of graduates from the previous calendar year from each school as reported by the board.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	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	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$1,768,000	\$1,817,600	\$1,868,500	\$1,920,800	\$1,974,500	\$9,349,400
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	\$1,768,000	\$1,817,600	\$1,868,500	\$1,920,800	\$1,974,500	\$9,349,400

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The revenue generated by the increase in fees would be passed through to the accredited university or community college school of construction management or construction technology.

REVENUE EXPLANATION

The proposed legislation is anticipated to increase agency self-generated revenues of the Louisiana State Licensing Board of Contractors (LSLBC) by approximately \$1.8 M. Over the past five years, the number of licensed commercial contractors has increased an average of 2.8% per year. In 2012, the LSLBC had 17,199 licensed commercial contractors. If the number of licensed commercial contractors continues to increase at this rate, at \$100 per year, the increase in self-generated revenue would be \$1,768,000 in FY 14 and would increase by 2.8% annually.

<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) >= \$500,000 Annual Fiscal Cost {S}
<input checked="" 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}

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