

LEGISLATIVE FISCAL OFFICE
Fiscal Note



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

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action: **w/ SEN COMM AMD**

Proposed Amd.:

Sub. Bill For.:

Date: May 30, 2013	5:46 PM	Author: PONTI
Dept./Agy.: State Licensing Board of Contractors		Analyst: Stephanie C. Blanchard
Subject:		

CONTRACTORS RE1 INCREASE 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. Requires the board to include an optional election of the renewal form whereby the contractor may choose to not participate in the remission of the additional fee. 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. The funds collected shall be distributed one half pro rata to each accredited public university and community college school and one half pro rata to each public university school based on the total number of graduates from the previous year as reported to the board by each school.

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.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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						

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 an indeterminable amount. The impact is indeterminable since each contractor may choose not to participate in the remission of the \$100 fee.

In 2012, the LSLBC had approximately 17,000 licensed commercial contractors and 4,000 residential contractors. The LFO is unable to determine how many of the 21,000 licensed contractors will actually remit the \$100 fee. For illustrative purposes, if only 25% of the contractors participated, the increase in revenues would be \$525,000 (5,250 x \$100) 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}

Evan Brasseaux

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