

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 285** HLS 15RS 921

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 21, 2015 2:08 PM	Author: MONTOUCET
Dept./Agy.: Agriculture and Forestry	Analyst: Zachary Rau
Subject: Maximum Fee Thresholds For Certain Reports	

PEST CONTROL OPERATORS OR INCREASE SG RV See Note
Provides relative to fees established for certain structural pest control business owners

Proposed law gives the Structural Pest Control Commission the authority to raise the maximum fee for standard and wood destroying insect reports from \$8 to \$16.

Proposed law also repeals present law allowing the Structural Pest Control Commission to appoint a committee to make recommendations to the Commission on what research is needed in regards to structural pests.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	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	2015-16	2016-17	2017-18	2018-19	2019-20	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 proposed legislation repeals language allowing the Structural Pest Commission to appoint a committee that will recommend to the Commission which type of structural pest research is needed. However, this bill does not affect language allowing for a \$30,000 biannual allocation to the Louisiana State University Experiment Station for research.

REVENUE EXPLANATION

The proposed legislation will likely increase self-generated revenues for the Department of Agriculture & Forestry by an indeterminable amount. This bill allows the Structural Pest Control Commission to raise the maximum fee amounts for standard contract reports and wood destroying insect reports. Standard contract reports and wood destroying insect reports currently have the same maximum fee of \$8. The proposed legislation would raise the maximum fee for both reports from \$8 to \$16. The proposed legislation also repeals the minimum report fee amount of \$5 for both reports.

In FY 14, LDAF counted approximately 35,000 standard contract reports and 45,000 wood destroying insect reports, a total of 80,000 reports. Based on these figures, a maximum increase of report fees pursuant to the proposed legislation would generate approximately \$1.3 M (\$16 x 80,000) from the previous maximum of \$640,000, a revenue increase of \$660,000. Revenue collections will only increase to the extent the Structural Pest Control Commission raises report fees.

While the proposed legislation will give the Structural Pest Control Commission the authority to approve report fee increases, the increases will not take effect until LDAF promulgates them by administrative rule. Until this occurs, the fees will remain unchanged.

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| Senate | <u>Dual Referral Rules</u> | House | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & 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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