



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 744 HLS 15RS 608
Bill Text Version: ENGROSSED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: May 21, 2015 12:32 PM Author: ARNOLD
Dept./Agy.: Parish of Orleans Analyst: Robbie Robinson
Subject: Incorporation of the Fifteenth Ward of Orleans Parish

LOCAL GOVERNMENT EG +\$50,000 LF EX See Note Page 1 of 1
Provides for the incorporation of the fifteenth ward of the parish of Orleans as a municipality within the parish of Orleans

Purpose of the Bill: This measure provides that residents of the Fifteenth Ward of the Parish of Orleans may propose incorporation of the area as a municipality within the Parish. A petition proposing incorporation shall be prepared containing certain legal information that must be signed by 10% of the electors residing in the Fifteenth Ward. The Registrar of Voters must determine if 10% of the electors in the Fifteenth Ward signed the petition. Once verified, the Registrar will issue a certificate that will be forwarded to the Governor. If the Governor determines that the petition complies with law, he is required to call a special election on the next possible date. The cost of the special election will be borne by the Parish. This measure also provides the manner in which legal action contesting an incorporation should proceed through the judicial process. The Governor shall appoint the initial officers of the newly incorporated municipality. This measure is effective if and when the proposed amendment of Article VI, Section 2 of the Constitution of Louisiana, contained in House Bill 235, is adopted at a statewide election.

Table with 7 columns: EXPENDITURES, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

There will be an increase in local fund expenditures as a result of the bill.

An Official with the city of New Orleans provided that if HB 235 (related constitutional amendment bill) passes and the Governor determines that the petition complies with the law, the Governor will be required to call a special election on the next possible date. The Official estimates that if this occurs within Fiscal Year 2015-2016, the cost of an election will be approximately \$50,000. The Official provided that there are 40 precincts in the Fifteenth Ward of Orleans Parish and if this issue is the only item on the ballot, the costs will be \$50,000 (40 precincts X \$1,250).

Also, we assume that expenditures of the Parish of Orleans will be reduced and the expenditures of the newly formed municipality will be increased by the same amount, therefore, there will be no overall fiscal impact (provided tax rates do not change).

REVENUE EXPLANATION

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

An Official with the City of New Orleans provided that the process of incorporation of the Fifteenth Ward in the Parish of Orleans, as described in the bill, is not expected to impact revenues.

Also, we assume that revenues of the Parish of Orleans will be reduced and the revenues of the newly formed municipality will be increased by the same amount, therefore, there will be no overall fiscal impact (provided tax rates do not change).

- 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(F)(2) >= \$500,000 Rev. Red. to State {H & S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Signature of Michael G. Battle
Michael G. Battle
Manager, Advisory Services