

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 245** SLS 16RS 455

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 4, 2016	2:43 PM	<b>Author:</b> MILKOVICH
<b>Dept./Agy.:</b> Secretary of State		<b>Analyst:</b> Zachary Rau
<b>Subject:</b> Eliminate Springtime Municipal Bond & Tax Referendums		

ELECTION DAYS

OR INCREASE GF EX See Note

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Requires that local tax elections be held only on certain election days. (8/1/16)

Proposed law places referendums for bond and tax items on the same dates as statewide congressional or gubernatorial elections. Proposed law eliminates provisions denying parishes with municipalities of over 300,000 the ability to hold an election relative to a parcel fee within a security or neighborhood improvement district. Proposed law allows for municipal-only proposition elections during the fall statewide election off-year as outlined in present law when a statewide election does not occur.

<b>EXPENDITURES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	INCREASE	\$0	INCREASE	INCREASE	INCREASE	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	<u>\$0</u>	SEE BELOW	SEE BELOW	SEE BELOW	<b>\$0</b>
<b>Annual Total</b>		<b>\$0</b>				<b>\$0</b>

  

<b>REVENUES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

Proposed law will increase state general fund expenditures for the Secretary of State and decrease expenditures of local governing authorities by an indeterminable amount. This bill eliminates springtime dates for municipal bond and tax referendums, as well as dates for municipal bond and tax referendums during the fall on the statewide election off-year. The Secretary of State will then have to place the municipal bond and tax measures on the statewide election fall ballots, excluding the statewide off-years.

The Secretary of State anticipates a net expenditure increase as local governing authorities do not reimburse the Secretary of State in full for municipal items placed on statewide ballots. Present law requires local governing authorities to reimburse the Secretary of State for holding municipal-only elections, while the Secretary of State funds approximately 75% of statewide election expenses pursuant to LA R.S. 18:1400.2(B)(2). In addition, the Secretary of State's current voting machines may not be able to hold all of the ballot items for the election, requiring the department to accommodate the additional items utilizing extra voting machines or paper ballots at an additional, though indeterminable expense. The increase in expenditures for the department is indeterminable because the number of municipal-only ballot items that may be included on a ballot for a statewide election varies by parish and by year. **(See continued explanation on Pg. 2)**

**REVENUE EXPLANATION**

Proposed law would decrease self-generated revenue collections for the Secretary of State by an indeterminable amount. Pursuant to LA R.S. 18:1400.1(C)(1)-(3), the Secretary of State may initially fund expenditures associated with municipal elections on the condition that local governing authorities reimburse the department. The proposed legislation eliminates the election dates for municipal bond and tax referendums in the springtime and fall and shifts the dates to gubernatorial and congressional election dates only. By eliminating municipal-only bond and tax referendum dates, the Secretary of State will realize a decrease in revenues associated with no longer receiving reimbursements for hosting these ballot items during springtime and fall off-year elections. The decrease in revenues is indeterminable because the number of ballot items relative to bond and tax referendums that may be on a ballot for a municipal-only election varies by parish and by year.

Local governing authorities may realize a revenue impact as well. By shifting the dates of municipal bond and tax referendums to the fall only and no longer having referendums on the congressional and gubernatorial fall election off year, localities may be impacted to the extent that their citizens will have fewer opportunities to vote on bond issues or tax measures, which may alter timelines in which bond proceeds can be acquired or tax measures may be passed.

- |   |  |              |
|---|--|--------------|
| <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) >= \$100,000 SGF Fiscal Cost {H & S}                    |              |
| <input 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*

**Evan Brasseaux**  
**Staff Director**

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**CONTINUED EXPLANATION from page one:**

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**(Continued explanation from Pg. 1)** The proposed legislation may also decrease local expenditures. Currently local governing authorities must reimburse the Secretary of State in full for expenditures associated with municipal-only elections. By shifting a portion of these costs to the fall statewide elections, local governing authorities will not have to reimburse them as they would during a springtime municipal-only election pursuant to LA R.S. 18:1400.1(C)(1)-(3). To the extent local governing authorities place bond, tax, or proposition items on statewide ballots, their expenditures may decrease. However, the total decrease cannot be determined.

Note: There would be no expenditure impact associated with the proposed legislation in FY 18, as the proposed legislation eliminates municipal bond and tax referendums during the gubernatorial and congressional election off-year. The Secretary of State reports no effect on expenditures as a result of the proposed legislation as local governing authorities must reimburse the department in full in the same manner as a springtime municipal-only election. The next off-year occurs during Fall 2017, the first half of FY 18.

Senate      Dual Referral Rules      House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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