

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



Fiscal Note On: **HB 176** HLS 17RS 695  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 23, 2017 9:10 AM	<b>Author:</b> LYONS
<b>Dept./Agy.:</b> Elderly Affairs	<b>Analyst:</b> Patrice Thomas
<b>Subject:</b> Eliminates \$100,000 Cap Per Parish Council	

ELDERLY EG +\$405,114 GF EX See Note Page 1 of 1  
 Eliminates the cap on the funding formula for voluntary parish councils on aging

Under present law, a funding formula is used to disburse state general fund to support the operation of each of the 64 Parish Councils on Aging (PCOAs). Under the formula, the minimum per parish funding amount is \$37,500 or \$2.50 per parish resident 60 years or older, up to a cap of \$100,000. The proposed law eliminates the cap of \$100,000 per parish councils on aging. However, beginning with FY 2017-2018 and subsequent fiscal years, the proposed law provides that unless additional funds are appropriated to the state funding formula the maximum funding remains \$100,000 per parish council on aging. Proposed law becomes effective July 1, 2017.

<b>EXPENDITURES</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$405,114	\$447,362	\$492,067	\$538,709	\$587,384	<b>\$2,470,636</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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$405,114</b>	<b>\$447,362</b>	<b>\$492,067</b>	<b>\$538,709</b>	<b>\$587,384</b>	<b>\$2,470,636</b>

  

<b>REVENUES</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Proposed legislation may increase state funding in Parish Councils on Aging (PCOAs) program within the Governor's Office of Elderly Affairs (GOEA) by \$405,114 in FY 18. The maximum amount of state general fund potentially required under this measure is reflected in the table above. In present law, PCOAs are funded with state general fund in accordance with a state formula. The GOEA acts as a pass-through agency for PCOAs to receive funding. Under the formula, each parish receives \$2.50 per resident aged 60 years or older. The minimum amount a parish can receive is \$37,500 and the maximum amount is \$100,000. Presently, there are six PCOAs are capped at the maximum amount of \$100,000 - Caddo, East Baton Rouge, Jefferson, Lafayette, Orleans, and St. Tammany. In FY 19, Calcasieu is projected to reach the cap. Proposed legislation eliminates the \$100,000 cap per parish. With the elimination of the cap, the state funding is anticipated to increase by \$405,114 in FY 18. The projected increase in state general fund is based on an annual 3% growth rate in the number of residents aged 60 years or older. The table below represents maximum amount of state funding each of the seven largest PCOAs may receive over the existing \$100,000 cap.

	Proposed Law FY 18	Proposed Law FY 19	Proposed Law FY 20	Proposed Law FY 21	Proposed Law FY 22
Caddo	\$35,685	\$38,778	\$41,943	\$45,178	\$48,488
Calcasieu	\$0	\$2,430	\$5,553	\$8,770	\$12,085
East Baton Rouge	\$106,588	\$113,648	\$120,950	\$128,503	\$136,313
Jefferson	\$140,263	\$147,030	\$153,990	\$161,145	\$168,503
Lafayette	\$2,070	\$6,813	\$11,775	\$16,970	\$22,405
Orleans	\$82,840	\$93,963	\$105,763	\$118,280	\$131,560
St. Tammany	<u>\$37,668</u>	<u>\$44,700</u>	<u>\$52,093</u>	<u>\$59,863</u>	<u>\$68,030</u>
	\$405,114	\$447,362	\$492,067	\$538,709	\$587,384

**REVENUE EXPLANATION**

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

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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