

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 835** HLS 12RS 1352
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 20, 2012 8:46 AM	Author: MILLER
Dept./Agy.: Treasury	Analyst: Travis McIlwain
Subject: Bond Validation Suits	

BONDS/COMMISSION OR SEE FISC NOTE SG EX Page 1 of 1
 Provides that the State Bond Commission shall establish an online database for posting notices for bond validation suits

Proposed bill provides for the State Bond Commission to establish and maintain on its website an online database of judgments shall post on the database within 2 days of receipt of the judgment, including the parties, the docket number, judicial district and parish in which the motion for judgment is filed.

EXPENDITURES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	SEE BELOW					
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>	<u>\$0</u>
Annual Total						
REVENUES	2012-13	2013-14	2014-15	2015-16	2016-17	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>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed legislation may result in an indeterminable increase in state governmental expenditures within the State Bond Commission. The bill provides for the State Bond Commission to post to its website an online database of motions for judgments including the docket number, judicial district and parish in which the motion for the judgment is filed.

The State Bond Commission currently does not have such a database and this bill would likely require the commission to expend approximately \$50,000 for a web based software application and approximately \$2,500 for a server to house the database.

The costs to implement the provisions of this legislation will ultimately depend upon the amount of data included within the database. To the extent the proposed legislation results in a minimal number of judgments being posted, the State Bond Commission may be able to handle such a database in-house (Access Database). However, the State Bond Commission is currently unaware as to how many bond validation suits are actually filed.

To the extent the State Bond Commission's potential costs associated with this measure exceed their current annual self-generated revenue collections, state general fund may be required for any anticipated expenditures.

REVENUE EXPLANATION

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

<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 >= \$500,000 Annual Fiscal Cost {S}	<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	<i>Evan Brasseaux</i>
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}			Evan Brasseaux Staff Director