



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 326 HLS 13RS 877
Bill Text Version: ENGROSSED
Opp. Chamb. Action: W/ SEN FLOOR AMD
Proposed Amd.:
Sub. Bill For.:

Date: June 4, 2013 1:22 PM Author: BARRAS
Dept./Agy.: City of Youngsville and Lafayette Parish Analyst: Glenda Leblanc
Subject: Hotel Occupancy Tax and Visitors Bureau

TAX/HOTEL OCCUPANCY EGF +\$172,500 LF RV See Note Page 1 of 2
Authorizes the city of Youngsville to levy a hotel occupancy tax

Purpose of Bill: This measure allows the city of Youngsville to levy a hotel occupancy tax not to exceed 4% and designates that the revenue be used to fund the construction, maintenance and operation of a community center, economic development and tourism. Also, the governing authority of the city of Youngsville shall impose the hotel occupancy tax by ordinance or resolution.

A Senate Floor Amendment was added to the bill and provides for the use of funds appropriated by the legislature to include: (1) monies deposited into the Lafayette Parish Visitors Enterprise Fund shall be allocated for improvements to the Cajundome site;(2) \$200,000 to the Lafayette Parish Convention and Visitors Commission for the purpose of funding a grant program benefitting the museums located in Lafayette Parish and tourism in Lafayette Parish, which shall be administered by a committee, (3) any remaining monies allocated for additional planning, development, and capital improvements at, or adjacent to the Cajundome site.

Table with 7 columns: EXPENDITURES, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 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, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

Beginning in fiscal year 2015, there may be an increase in local fund expenditures of \$69,069. Expenditure amounts may increase in subsequent fiscal years.

According to an official with the Secretary of State's Office, election costs would be \$11,569 assuming there are no other items on the ballot. The city of Youngsville will be responsible for 100% of the election costs if the election is held when no state or federal candidate elections are on the ballot; otherwise, the costs would be split between the city of Youngsville and the State of Louisiana.

According to an official with the city of Youngsville Mayor's Office, revenue collected as a result of this measure will be used to fund the construction, maintenance and operation of a community center, economic development and tourism. The city of Youngsville Mayor's office expect to spend \$57,500 in fiscal year 2015. Expenditure amounts may increase in subsequent years if tax collections increase.

See page 2 for the fiscal impact related to the adopted Senate Floor Amendments.

REVENUE EXPLANATION

Beginning in fiscal year 2015, there may be an increase in local tax revenues of \$57,500. The revenue amounts may increase in subsequent fiscal years.

According to an official with the city of Youngsville Mayor's office, levying a hotel occupancy tax of 4% may provide tax revenue of \$57,500 in fiscal year 2015. Currently, there are no hotels in the city of Youngsville. The revenue estimates are based on the assumption that one hotel will be built and operating during fiscal year 2014-15, two hotels in operation by fiscal year 2015-16, and three hotels in operation by fiscal year 2016-17. The city of Youngsville Mayor's office estimates that each hotel will provide \$57,500 per year an tax revenue.

See page 2 for the fiscal impact related to the adopted Senate Floor Amendments.

- Senate Dual Referral Rules House
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} 6.8(F) >= \$500,000 Annual Fiscal Cost {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}

Joy Irwin
Director of Advisory Services



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CONTINUED EXPLANATION from page one:

Expenditure Fiscal Impact related to Senate Floor Amendment: There is no anticipated direct material effect on governmental expenditures as a result of this bill.

According to an official with the Lafayette Parish Convention and Visitors Commission, there will be minimal additional cost associated with creating the committee for paper and staff time.

Revenue Fiscal Impact related to Senate Floor Amendment: There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

- | | |
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| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | <input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {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} |



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