



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: **HB 111** HLS 14RS 759
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: **REVISED**

Date: March 11, 2014 5:16 PM	Author: LEGER
Dept./Agy.: Orleans Parish Governing Authority	Analyst: Becky Ewing
Subject: Increases Maximum Mills for Fire and Police Protection	

TAX/AD VALOREM TAX OR +\$6,200,000 LF RV See Note Page 1 of 1
 (Constitutional Amendment) Provides relative to ad valorem taxes for fire and police protection in Orleans Parish

Purpose of Bill: This bill allows the governing authority of Orleans Parish (City of New Orleans) to increase millage rates for fire and police protection from 5 mills to 6 mills. In addition, this bill prohibits the City from funding fire and police protection at levels below the calendar year 2013 funding level.

The impact of this bill is dependent upon a vote of Louisiana electors at the statewide election scheduled for November 4, 2014.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	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	\$25,000	\$0	\$0	\$0	\$0	\$25,000
Annual Total	\$25,000	\$0	\$0	\$0	\$0	\$25,000

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	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	\$0	\$5,600,000	\$5,800,000	\$6,000,000	\$6,200,000	\$23,600,000
Annual Total	\$0	\$5,600,000	\$5,800,000	\$6,000,000	\$6,200,000	\$23,600,000

EXPENDITURE EXPLANATION

This bill may increase local fund expenditures for the City of New Orleans by approximately \$25,000 in 2014-15 for election costs.

An official with the Louisiana Secretary of State's office indicated that this bill would not impact the expenditures of the Secretary of State as the cost for holding this statewide election is expected to fall within current budgets. However, this official indicated that including the constitutional amendment on the ballot may increase the portion of election costs for which the City of New Orleans would be billed by about \$25,000.

REVENUE EXPLANATION

This bill may increase local fund revenues for the City of New Orleans by approximately \$5.6 million starting in 2015-16 and increasing annually to approximately \$6.2 million by 2018-19.

After discussion with an official with the City of New Orleans, we calculated these figures based on millages increasing from 5.21 to 6.0 (for fire protection) and 5.26 to 6.0 (for police protection). Estimates are also based on an annual expected growth rate of 3% between 2015 and 2018.

Senate Dual Referral Rules House 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} 6.8(F)(2) >= \$500,000 State Rev. Reduc. {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}

Joy Irwin
Director of Advisory Services