

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 294** HLS 15RS 672
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

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Dept./Agy.: Judiciary	Analyst: Matthew LaBruyere
Subject: Financial Disclosure	

JUDGES OR INCREASE GF EX See Note Page 1 of 1
 Requires personal financial disclosure by judges and justices of the peace

Proposed law requires all elected judges and justices of the peace to file a financial statement by May 15th of each year during their terms of office with the judicial administrator for the LA Supreme Court (LASC). Proposed law requires all judges and justices of the peace to disclose certain information of certain values by category for the judge and his spouse as it relates to sources of income, immovable property, investment securities, movable property, and liabilities, both secured and unsecured, and provides that all financial statements shall be a matter of public record. Proposed law requires the judicial administrator to maintain a website which allows public access for review of filed disclosure reports and the list of those persons who fail to file a statement, fail to timely file a statement, omits information from a statement, or provides inaccurate information in a statement. Proposed law requires the judicial administrator to refer all noncompliant matters and written complaints regarding the financial statement to the Judiciary Commission. Proposed law requires the LASC to forward any findings to the district attorney for the parish where the person is domiciled for prosecution of a misdemeanor.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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>	\$0
Annual Total						

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	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>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed legislation will result in an increase in state general fund expenditures as a result of maintaining a website for financial disclosures of judges and justices of the peace. The LASC will need to hire 2 additional staff to collect and analyze the submitted financial disclosure information as well as create a website and database for the financial disclosure information. The LFO believes the cost in FY 16 would be \$213,400 (\$174,400 personnel + \$9,000 acquisitions + \$30,000 IT costs) and costs in FY 17 and subsequent fiscal years would be approximately \$179,400 (\$174,400 personnel + \$5,000 IT costs).

Currently the LA Supreme Court (LASC) receives financial disclosures filings from 369 judges across the state. To handle the current filings, the workload encompasses 50% of one staff attorney's duties. Requiring 382 justices of peace to file financial disclosure forms would double the workload. The LASC indicated that 4.5 positions would be needed including an attorney, 2 paralegals, an administrative assistant and 0.5 I.T. professional. However, the LFO believes 2 positions would be needed to handle the workload increase. An additional staff attorney would be needed to handle the increase in filings and educating justices of the peace on how to file financial disclosures. The cost for a staff attorney would be \$114,900 (\$80,000 salary + \$34,900 benefits). In addition, a data coordinator would be needed to perform data entry, help provide assistance to courts submitting the data, follow-up with courts not submitting, and to assist with analysis and reporting. The cost for a data coordinator would be \$59,500 (\$40,000 salary + \$19,500 benefit). Acquisitions such as computers and furniture would be approximately \$9,000. Annual personnel costs would be \$174,400.

In addition to staff, the LASC would incur a cost associated with maintaining a website for the financial disclosures. According to the LASC, the current website would need to be updated to handle the financial disclosures. The LASC estimate to develop the website and database would be approximately \$127,000. The court does not have staffing resources to handle the development and would contract with a vendor. Annual hosting and support services would cost approximately \$69,800 per year. The exact cost would be determined through the Request For Proposal (RFP) process and may be less than stated. For comparison purposes, the Office of Technology Services quoted these services upon request of the LFO at a cost of \$30,000 in FY 16 and \$5,000 annually for hosting and support services, which is substantially lower than the LASC quote.

REVENUE EXPLANATION

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

Senate	<u>Dual Referral Rules</u>	House	<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	<i>Evan Brasseaux</i> Evan Brasseaux Staff Director
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}			<input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {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}	