



**OFFICE OF LEGISLATIVE AUDITOR  
Fiscal Note**

Fiscal Note On: **HB 56** HLS 23RS 352  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 5, 2023 12:11 PM	<b>Author:</b> MOORE
<b>Dept./Agy.:</b> Monroe City School Board	<b>Analyst:</b> Gary Devall
<b>Subject:</b> Additional Ad Valorem Tax	

EARLY CHILDHOOD EG INCREASE LF RV See Note Page 1 of 1  
 Authorizes the Monroe City School Board to levy an ad valorem tax for the purpose of funding early childhood care and education

**Purpose of Bill:** This bill allows the Monroe City School Board (School Board) to levy and collect up to 5 mills of additional ad valorem taxes, pending voter approval, for a maximum of 20 years, to fund childcare and education for children in the school district who have not yet entered kindergarten.

<b>EXPENDITURES</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</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	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
<b>Annual Total</b>						

  

<b>REVENUES</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>5 -YEAR TOTAL</b>
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Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
<b>Annual Total</b>						<b>SEE BELOW</b>

**EXPENDITURE EXPLANATION**

**This measure may increase local governmental expenditures by an indeterminable amount.**

This bill requires the School Board to use the tax proceeds for childcare and education for children in the school district who have not yet entered kindergarten. This may increase local expenditures by up to \$2 million annually as the tax proceeds are spent for this purpose. However, the exact amount and timing of the impact is dependent, in part, upon the amount of mills approved by the voters, timing of the election, and timing and specifics of plans to be carried out by the School Board.

An official from the Louisiana Secretary of State's office indicated that the School Board's portion of election costs could range from \$6,000 to \$59,200 depending upon the timing of the election and the number of local items on the ballot.

**REVENUE EXPLANATION**

**This measure may increase local governmental revenues by approximately \$2 million annually, pending voter approval.**

Based on information from the School Board's 2022 audit report and the Ouachita Parish Assessor's Office, if a 5 mills ad valorem tax is approved by voters, it may increase the School Board's revenue by approximately \$2 million annually. However, the exact amount and timing of the impact is dependent upon the amount of mills approved by the voters and the timing of the election.

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}

*Michael G. Battle*  
**Michael G. Battle**  
**Manager, Advisory Services**