



LEGISLATIVE FISCAL OFFICE

Fiscal Note

Fiscal Note On: **HB 36** HLS 051ES 126  
Bill Text Version: **ORIGINAL**  
Opp. Chamb. Action:  
  
Sub. Bill For.:  
Proposed Amd.:

<b>Date:</b> November 14, 2005 7:28 PM	<b>Author:</b> LAFLEUR
<b>Dept./Agy.:</b>	
<b>Subject:</b> Restoration Fund	<b>Analyst:</b> Evan Brasseaux

FUNDS/FUNDING

OR INCREASE SD EX See Note

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Establishes the Restoration Fund in the state treasury to provide for the repair, renovation, restoration, and reconstruction of the state's public infrastructure (Item #27)

The proposed legislation establishes the "Restoration Fund" in the state treasury to provide for the repair, renovation, restoration, reconstruction, or replacement of state-owned public facilities, buildings, and other assets. The fund shall be composed of two separate accounts, the Main Account and the State Match. The source of monies to be deposited into the Main Account shall be all monies received by the state on behalf of or through any of its agencies from the federal government, an insurer, or from any other nonstate source. The source of monies to be deposited into the State Match Account shall be legislative appropriation. Monies in the fund shall be appropriated only to the facility planning and control section of the DOA. All unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund. No later than February 1, 2006 for FY 06 appropriations, and no later than February 1 for each fiscal year thereafter prior to the convening of each regular session of the legislature beginning with the 2006 Regular Session, facility planning shall submit to the JLCB a prioritized program for repair, renovation, restoration, reconstruction, or replacement SEE P. 2

EXPENDITURES	2005-06	2006-07	2007-08	2008-09	2009-10	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2005-06	2006-07	2007-08	2008-09	2009-10	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Expenditures from the "Restoration Fund" will ultimately depend upon the level of funds appropriated by the state to the State Match Account and any funds deposited into the Main Account which would be received by the state and deposited into this account on behalf of or through any of its agencies from the federal government, an insurer, or from any other nonstate source. The amount of funds either appropriated by the state to the State Match Account or made available from other sources is indeterminable at this time.

The Office of Facility Planning and Control (OFPC) indicates that this legislation would require it to develop and maintain a Restoration Priority Program that identifies and lists projects recommended for funding. OFPC does not have such a program at this time but bases its estimate on a similar system utilized by DOTD. Based on the DOTD program, one additional senior manager would be required to administer this similar system. The estimated cost of salary and related benefits for this additional senior manager is \$46,368 plus approximately \$1,300 for supplies and operating expenses annually for a total cost of \$47,668 in FY 06 (six months of costs). The total annualized cost for this additional person in FY 07 (including supplies and operating expenses) is anticipated to be \$101,180 with growth included in subsequent years for merit increases. The LFO anticipates that any expenditures related to the OFPC will be funded with state general fund but may also be absorbed by the monies available in the "fund".

NOTE: The Office of the State Treasurer states that it may require an additional fiscal analyst position to perform the accounting, banking and custodial functions related to special funds if the number of special funds created in the 2005 1st Extraordinary Session is significant. According to this office, the number of special funds have increased significantly since 1988 without an increase in the number of positions which provide the financial accounting and reporting required of each fund.

REVENUE EXPLANATION

Monies in the fund shall be invested by the state treasurer in the same manner as those in the state general fund. Earnings on the investment of monies in the fund shall be credited to the fund. Any potential earnings will depend upon the level of funds available for investment by the state treasurer. The level of funds which may be made available to the Main Account from the federal government, insurers, and other nonstate sources is indeterminable at this time.

Senate

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

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LFO Staff Director



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**CONTINUED EXPLANATION from page one:**

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of state assets damaged or lost due to hurricanes Katrina or Rita. This program shall be known as the Restoration Priority Program. At a minimum, the program list shall indicate the total estimated cost of each proposed project, with the specific amount required from each of the accounts within the fund.