



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 126** HLS 25RS 568
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: April 3, 2025	10:22 AM	Author: LYONS
Dept./Agy.: Elderly Affairs		
Subject: Increases Minimum Funding for Parish Councils on Aging		Analyst: Luis Galvan

COUNCILS ON AGING OR +\$3,524,736 GF EX See Note Page 1 of 1

Modifies the funding formula used to determine minimum state funding allocations to parish councils on aging and increases the minimum aggregate total that is to be appropriated annually to the office of elderly affairs for such allocations

Present law (R.S. 46:1606) requires the Legislature to appropriate state general funds to the Office of Elderly Affairs (OEA) for distribution to the 64 parish councils on aging (PCOAs). Each parish council receives the greater of \$2.50 per resident aged 60 years or older, based on the latest census estimates, or a minimum allocation of \$100,000 per parish. Additionally, present law mandates a statewide minimum annual appropriation of \$6.9 M. Funds are distributed quarterly, and the executive director of OEA may adjust allocations with Joint Legislative Committee on the Budget (JLCB) approval in the event of disasters.

Proposed law increases the per capita funding rate from \$2.50 to \$4 per resident aged 60 years or older, raises the minimum allocation per parish from \$100,000 to \$150,000, and increases the statewide minimum annual appropriation from \$6.9 M to \$10,494,238. The distribution process and the authority of the executive director of OEA to adjust allocations during disasters remain unchanged. Proposed law becomes effective July 1, 2025.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$3,524,736	\$3,524,736	\$3,524,736	\$3,524,736	\$3,524,736	\$17,623,680
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	\$0	\$0	\$0	\$0	\$0
Annual Total	\$3,524,736	\$3,524,736	\$3,524,736	\$3,524,736	\$3,524,736	\$17,623,680

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	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	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will result in an increase in SGF expenditures of approximately \$3.5 M annually beginning in FY 26. The increase is based on a new formula for PCOAs, which includes the greater of the per capita funding rate from \$2.50 to \$4 per resident aged 60 years or older, or the minimum annual allocation per parish from \$100,000 to \$150,000, and an increase in the total statutory statewide minimum annual appropriation from \$6.9 M to \$10,494,238. PCOAs will receive the greater of the revised \$4 per resident or the new \$150,000 minimum allocation, ensuring flexibility based on their population. The \$3.5 M annual increase reflected in the table above represents the difference between \$6.9 M minimum appropriation in FY 25 and the proposed minimum appropriation of \$10.4 M beginning in FY 26.

Most PCOAs will receive \$150,000 annually under the new model. The table below shows the seven largest Parish Councils on Aging (PCOAs), where annual expenditures are projected to exceed \$150,000 under the proposed law and \$100,000 under present law. Additionally, the table provides a comparison of expenditures under the proposed law compared to present law, as well as the net difference, for the seven largest PCOAs, and for the new model.


	Maximum Funding Proposed Law FY 26	Existing Funding Present Law FY 25	Net difference
Caddo	\$232,628	\$ 144,952.50	\$87,676
Calcasieu	\$168,020	\$ 115,917.50	\$52,103
East Baton Rouge	\$355,092	\$ 235,245.00	\$119,847
Jefferson	\$419,456	\$ 270,327.50	\$149,129
Lafayette	\$184,992	\$ 120,475.00	\$64,517
Orleans	\$335,528	\$ 214,502.50	\$121,026
St. Tammany	\$248,520	\$ 161,890.00	\$86,630
TOTAL	\$1,944,236	\$ 1,263,310.00	\$680,926

The actual expenditure impact in future fiscal years may vary based on population changes for all residents aged 60 years or older, as estimated by the United States Census Bureau. The estimated annual 3% growth rate in the number of residents aged 60 years or older, could result in an additional SGF increase.

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"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {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}	


Patrice Thomas
Deputy Fiscal Officer