



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 90** SLS 11RS 305

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 23, 2011	2:15 PM	Author: THOMPSON
Dept./Agy.: Department of Agriculture and Forestry		
Subject: Transfer of funds from Boll Weevil Eradication Fund		Analyst: Alan M. Boxberger

FUNDS/FUNDINGEN SD EX See NotePage 1 of 1

Transfers certain monies from the Boll Weevil Eradication Fund to the Louisiana Agricultural Finance Authority. (gov sig)

Present law requires that all unexpended and unencumbered monies in the Boll Weevil Eradication Fund at the end of each fiscal year remain in the fund. Proposed law specifies that only unexpended and unencumbered monies received from fees and penalties at the end of each fiscal year remain in the Boll Weevil Eradication Fund. All unexpended and unencumbered monies received from assessments at the end of each fiscal year shall be transferred to the Louisiana Agricultural Finance Authority (LAFA) for boll weevil eradication program expenses. The proposed law authorizes the commissioner of agriculture to determine the use of monies for boll weevil eradication program expenses. Those duties currently reside by law with the Boll Weevil Eradication Commission.

EXPENDITURES	2011-12	2012-13	2013-14	2014-15	2015-16	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

REVENUES	2011-12	2012-13	2013-14	2014-15	2015-16	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

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The proposed law transfers unexpended and unencumbered monies in the Boll Weevil Eradication Fund received from assessments to LAFA at the end of each fiscal year. LAFA is restricted to utilize these funds only for boll weevil eradication program expenses.

The Department of Agriculture and Forestry reports that the intent of the transfer is to accumulate funds with LAFA to allow rapid deployment if the department detects any reintroduction or movement of boll weevils into the state. Such a reintroduction would require prompt action to prevent the spread and regeneration of the pest, including increased trap densities within one mile of any boll weevil capture, in-field trapping, and spray applications over potentially large acreage for an extended period of time. The department can utilize its appropriation within any given fiscal year for this purpose but if the immediate need exceeds its budget authority, the department would be required to process a budget adjustment (BA-7) through the Joint Legislative Committee on the budget. This bill would allow any accumulated funds in the account with LAFA to be deployed on shorter notice, since LAFA is an off-budget entity.

The proposed law authorizes the commissioner of agriculture to determine the use of monies for boll weevil eradication program expenses. Those duties currently reside with the Boll Weevil Eradication Commission.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. Existing law requires cotton producers in the state of Louisiana to annually report planted cotton acreage and pay the established annual assessment of \$6 per acre planted. Beginning in FY 11, the grower assessments, fees and penalties are the only source of revenue for the boll weevil eradication program. The proposed law will require transfer of any unexpended or unencumbered monies generated from assessments to LAFA at the end of each fiscal year. Unexpended or unencumbered monies generated from fees or penalties would remain in the Boll Weevil Eradication Fund. The department reports that the amount generated from fees and penalties in FY 10 was approximately \$10,000.

NOTE: The Boll Weevil Eradication Fund had a fund balance of \$331,361 at the end of FY 10 (8/15/10).

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