

LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **HB 161** HLS 16RS 541

Bill Text Version: ORIGINAL

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For .:

Date: March 22, 2016 6:34 PM Author: EDMONDS

Dept./Agy.: Secretary of State

Subject: Dates for Municipal Bond, Tax, and Proposition Elections Analyst: Zachary Rau

ELECTIONS OR INCREASE GF EX See Note Page 1 of 2
Provides relative to dates for bond, tax, and other proposition elections

<u>Proposed law</u> repeals <u>present law</u> providing relative to municipal bond, tax, and proposition elections occurring during the springtime and fall during the gubernatorial and congressional election off-years.

| EXPENDITURES | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 5 -YEAR TOTAL |
|----------------|-----------|------------|-----------|-----------|-----------|---------------|
| State Gen. Fd. | INCREASE | \$0 | INCREASE | INCREASE | INCREASE | \$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 | SEE BELOW | <u>\$0</u> | SEE BELOW | SEE BELOW | SEE BELOW | <u>\$0</u> |
| Annual Total | | \$0 | | | | \$0 |
| REVENUES | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | DECREASE | DECREASE | DECREASE | DECREASE | DECREASE | |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Annual Total | | | | | | |

EXPENDITURE EXPLANATION

Proposed law will increase state general fund expenditures for the Secretary of State and decrease expenditures of local funds by an indeterminable amount. This bill eliminates dates for municipal bond, tax, and proposition referendums, placing these items on fall ballots with congressional and gubernatorial elections. The Secretary of State will then have to place the municipal bond, tax, and proposition measures on the statewide fall ballots. Currently local governing authorities do not reimburse the Secretary of State in full for municipal items placed on statewide ballots, increasing the Secretary of State's expenditures. The increase in expenditures is indeterminable because the number of municipal-only ballot items that may be on a ballot for a statewide election varies by parish and by year.

The proposed legislation may also decrease local expenditures. Currently local governing authorities must reimburse the Secretary of State for expenditures associated with municipal-only elections. By shifting a portion of these costs to the fall statewide elections, local governing authorities will not have to reimburse them as they would during a springtime municipal-only election pursuant to LA R.S. 18:1400.1(C)(1)-(3). To the extent local governing authorities place bond, tax, or proposition items on statewide ballots, their expenditures may decrease. However, the total decrease cannot be determined.

(See continued explanation on Pg. 2)

REVENUE EXPLANATION

Proposed law would decrease self-generated revenue collections for the Secretary of State by an indeterminable amount. Pursuant to LA R.S. 18:1400.1(C)(1)-(3), the Secretary of State may initially fund expenditures associated with municipal elections on the condition that local governing authorities reimburse the department. The proposed legislation eliminates the election dates for municipal bond, tax, and proposition referendums in the springtime and fall and shifts the dates to gubernatorial and congressional election dates <u>only</u>. By eliminating municipal-only bond, tax, and proposition dates, the Secretary of State will realize a decrease in revenues associated with no longer receiving reimbursements for hosting these ballot items during municipal-only elections. The decrease in revenues is indeterminable because the number of ballot items relative to bond, tax, and proposition referendums that may be on a ballot for a municipal-only election varies by parish and by year.

Local governing authorities may realize a revenue impact as well. By shifting the dates of municipal bond and tax referendums to the fall only and no longer having referendums on the congressional and gubernatorial fall election off year, localities may be impacted to the extent that their citizens will have fewer opportunities to vote on bond issues or tax measures, which may alter timelines in which bond proceeds can be acquired.

| <u>Senate</u> 13.5.1 >= | <u>Dual Referral Rules</u> <u>Hou</u> \$100,000 Annual Fiscal Cost {S&H} | | Evan | Brasseaux |
|-------------------------|---|---|--------------------------------|-----------|
| 13.5.2 >= | \$500,000 Annual Tax or Fee Change {S&H} | 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | Evan Brassea Staff Director | |



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CONTINUED EXPLANATION from page one:

Page 2 of 2

(Continued explanation from Pg. 1) Note: there would be no expenditure impact associated with the proposed legislation in FY 18, as the proposed legislation eliminates municipal bond, tax, and proposition referendums during the gubernatorial and congressional election off-year. The next off-year occurs during Fall 2017, the first half of FY 18.

| <u>Senate</u> | <u>Dual Referral Rules</u> \$100,000 Annual Fiscal Cost {S&H | louse | 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} | Evan | Brasseaux |
|---------------|--|-------|---|--------------------------------|-----------|
| 13.5.2 >= 9 | \$500,000 Annual Tax or Fee Change {S&H} | | 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | Evan Brassea Staff Director | |