



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 880 HLS 16RS 1184
Bill Text Version: ENGROSSED
Opp. Chamb. Action: w/ SEN COMM AMD
Proposed Amd.:
Sub. Bill For.:

Date: June 1, 2016 9:55 AM Author: RICHARD
Dept./Agy.: Lafourche Parish School Board and Beauregard Assessor
Subject: Additional Sales Tax and Assessor Expense Allowance Analyst: Robbie Robinson

TAX/SALES EG1 +\$13,000,000 LF RV See Note Page 1 of 1
Authorizes additional sales tax of up to one per cent and provides for assessor expense allowance.

Purpose of Bill: This bill authorizes the Lafourche Parish School Board, subject to voter approval, to levy and collect an additional sales and use tax not to exceed 1%. The tax must be imposed by ordinance of the school board. An amendment to the bill authorizes the assessor of the Beauregard Parish Assessment District to receive an automobile expense allowance. The allowance is not to exceed 15% of the assessor's annual salary, provided that the assessor maintains automobile insurance in the amount of \$300,000 per accident for bodily injury and \$100,000 per accident for property damage.

Table with 7 columns: EXPENDITURES/REVENUES, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total for both categories.

EXPENDITURE EXPLANATION

This measure may increase local governmental expenditures by approximately \$21,746 for fiscal year 2016-17, and by approximately \$13,021,746 annually thereafter.

This bill provides for the use of the sales tax proceeds for any lawful purpose of the Lafourche Parish School Board, including the funding of a portion of the proceeds into bonds as provided by law. It is anticipated that the entire amount collected each year will be used each year for these purposes. There will also be some costs associated with voter approval of the additional sales tax, depending upon when the election is held.

The amendment to the bill increases expenses in the Beauregard Parish Assessment District related to a new automobile expense allowance, however the increase will depend upon the monetary amount that the 15% will be applied to. The assessor's salary including certification pay totals \$131,796. In addition, the assessor receives a 10% personal expense allowance of \$13,180, for total compensation of \$144,976. If the 15% is applied to \$131,796, the resulting automobile allowance would be \$19,769. If the 15% is applied to the grand total of \$144,976, the resulting automobile expense allowance would be \$21,746.

REVENUE EXPLANATION

This measure may increase local governmental revenues by approximately \$13,000,000 annually, beginning in fiscal year 2017-18 and thereafter, pending voter approval.

A representative of the Lafourche Parish School Board provided that a sales and use tax increase of up to 1% would create an estimated increase of \$13,000,000 per year in sales tax revenue. Since voter approval is required, the representative anticipated that the earliest effective date would be July 1, 2017, if an election is held in the Spring of 2017.

- Senate Dual Referral Rules House
[X] 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
[X] 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}
[] 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}

Signature of Michael G. Battle
Michael G. Battle
Manager, Advisory Services