



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **HB 480** HLS 25RS 422

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.: **w/ PROP HSE COMM AMD**

Sub. Bill For.:

| | | |
|---|---------|-------------------------------|
| Date: May 6, 2025 | 5:46 PM | Author: MCCORMICK |
| Dept./Agy.: Caddo-Bossier Parishes Port Commission | | Analyst: Jamie Mergist |
| Subject: Payment In Lieu of Taxes Program | | |

PORTS/HARBORS/TERMINALS OR NO IMPACT LF EX See Note Page 1 of 1
 Provides relative to the authority of the Caddo-Bossier Parishes Port Commission to use the payment in lieu of taxes program

Purpose of Bill: This bill provides for an approval process for Payment In Lieu of Taxes (PILOT) program proposals from the Caddo-Bossier Parishes Port Commission (Port) within Caddo Parish and Bossier Parish before the Port can use the PILOT program. This process requires the relevant *local governing authority* to evaluate the property taxes to be abated by the proposal for each taxing entity and provide documentation of this information to the relevant parish entities (sheriff, parish government, and school board) for their use in reviewing and approving the proposal.

Note: For the purposes of this fiscal note, we interpreted "local governing authority" to mean the Caddo Parish Commission and Bossier Parish Police Jury.

| EXPENDITURES | 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 |

| 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 | SEE BELOW | |
| Annual Total | | | | | | |

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

The bill requires that PILOT program proposals in Caddo and Bossier parishes be approved by the respective parish entities before the PILOT program can be used by the Port. Officials with these parish entities (Caddo Parish Sheriff, Caddo Parish Commission, Caddo Parish School Board, Bossier Parish Sheriff, Bossier Parish Police Jury, Bossier Parish School Board) indicated that the approval process proposed in this bill is not expected to have a direct material impact on the expenditures of their respective entities.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. However, there may be some indirect impacts related to the bill, which are currently indeterminable.

The bill only provides for an approval process for PILOT program proposals in Caddo Parish and Bossier Parish. Therefore, this bill is not expected to have a direct material impact on governmental revenue.

Note: While the bill is not anticipated to have a direct material effect on governmental revenues, a Port official indicated that governmental revenue may decrease due to this bill. Specifically, this official anticipates a significant reduction in potential governmental revenue due to a decline in PILOT program participation, as businesses may choose to locate elsewhere if the ability to use the PILOT program is diminished due to PILOT program proposals being rejected. This official indicated that this could lead to a reduction in both PILOT fees collected by the Port and tax revenues for local taxing authorities. Conversely, for similar bills in previous years, certain local governments anticipated a significant increase in future revenue from property taxes on properties that would not have been taxed under the PILOT program. **The indirect fiscal impact is indeterminable at this time and is heavily dependent upon details of specific future projects and agreements.**

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 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}

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