

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 415** SLS 18RS 595

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 28, 2018 8:18 AM	<b>Author:</b> WHITE, BODI
<b>Dept./Agy.:</b> DOTD	<b>Analyst:</b> Alan M. Boxberger
<b>Subject:</b> Provides relative to the sale of excess immovable property	

TRANSPORTATION/DEV DEPT EG SEE FISC NOTE SD EX See Note Page 1 of 1  
Provides relative to the sale of excess immovable property by the Department of Transportation and Development. (gov sig)

Present law provides that the secretary of DOTD may dispose of excess immovable property that is not purchased at public or private sale or when the cost to advertise the property for sale is greater than the fair market value so that the property lacks a positive net value to the department by: 1) donating the property pro rata to the adjacent landowner(s) or 2) conveying ownership of the property to any political subdivision in which the property is located or to the Department of Natural Resources.

Proposed law adds that DOTD may use a real estate broker licensed in Louisiana to sell the property identified as an "uneconomic remnant" for the selling price of the latest available appraisal, or the cost of the advertisements, whichever is less, under certain conditions and allows payment of a commission not to exceed 25% to the broker. Proposed law authorizes DOTD to promulgate any rules and regulations necessary to implement broker sales pursuant to the Administrative Procedure Act.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

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

Proposed law permits the secretary of DOTD to elect to dispose of certain excess immovable property identified as an "uneconomic remnant," in addition to other disposal options as provided in present law. To the extent that DOTD may elect to utilize a real estate broker licensed in Louisiana to sell these properties, the department would realize an expenditure not to exceed 25% of the selling price. Any such payments are indeterminable but anticipated to be nominal, as the cost of advertisements average approximately \$300. There is no discernible way to know the number of "uneconomic remnant" properties that may be sold in any given year, thus the potential cost is indeterminable.

**REVENUE EXPLANATION**

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

Proposed law permits the secretary of DOTD to elect to dispose of certain excess immovable property identified as an "uneconomic remnant," in addition to other disposal options as provided in present law. To the extent that DOTD may elect to utilize a real estate broker licensed in Louisiana to sell these properties, the department would realize revenues not to exceed 75% of the selling price, or the cost of the advertisement, whichever is less. Any such revenues are indeterminable but anticipated to be nominal, as the cost of advertisements average approximately \$300. There is no discernible way to know the number of "uneconomic remnant" properties that may be sold in any given year, thus the potential revenues are indeterminable.

In addition to state funds, DOTD uses federal dollars for the acquisition or expropriation of uneconomic remnants. DOTD is entitled to recoup those funds upon the disposition of properties that include utilization of federal funds at acquisition. Uneconomic remnants are not considered surplus agency land, therefore DOTD has authority to sell these remnants without joinder when federal funds are used.

Senate Dual Referral Rules  
 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}

*Evan Brasseaux*  


---

**Evan Brasseaux**  
**Staff Director**