



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: SB 188 SLS 19RS 140
Bill Text Version: REENGROSSED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 25, 2019 10:50 AM Author: CHABERT
Dept./Agy.: Greater Lafourche Port Commission Analyst: Steven Kraemer
Subject: Bonds

LOCAL AGENCIES RE SEE FISC NOTE LF EX Page 1 of 1
Provides relative to the bonding authority of the Greater Lafourche Port Commission. (gov sig)

Purpose of Bill: This bill removes an existing \$25 million cap on the amount of bonds and notes that can be outstanding at any one-time for the Greater Lafourche Port Commission. In addition, this bill removes an existing 6% cap on the interest rate on bonds to which property taxes are pledged by the Greater Lafourche Port Commission.

Table with columns: EXPENDITURES, REVENUES, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

The impact of this bill on the Greater Lafourche Port Commission is currently indeterminable. However, Commission expenditures may increase to the extent debt is issued beyond existing caps.

The impact of this bill on the Commission is currently indeterminable as there are a number of uncertainties regarding the timing, amount, and payment terms of future borrowings. According to our contact at the Commission, they have no way of foreseeing how much they will bond, when they will bond, and the financial market conditions under which bonding will occur.

An official with the Greater Lafourche Port Commission indicated that the removal of both the bonding limit and maximum interest rate is being sought in anticipation of the development of "Fourchon Island". Development of the Island will include, at a minimum, construction of a bridge for vehicular access and improving the Belle Pass channel for larger vessel access.

REVENUE EXPLANATION

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

However, our contact at the Commission suggested that if the Commission is authorized (e.g. by U.S. Army Corps of Engineers) to develop the Island and funding is secured, there could be an increase in lease revenue.

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}

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