

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 50** SLS 23RS 180

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

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

Sub. Bill For.:

Date: May 10, 2023	4:54 PM	Author: ABRAHAM
Dept./Agy.: Calcasieu Parish Tolling Authority		Analyst: Kimberly Fruge
Subject: Creates the Calcasieu Parish Tolling Authority		

TRANSPORTATION/DEV DEPT OR SEE FISC NOTE LF EX See Note Page 1 of 2
Creates and provides relative to the Calcasieu Parish Tolling Authority. (8/1/23)

Proposed law creates the Calcasieu Parish Tolling Authority; provides for contracting authority; provides for powers and duties; establishes a board of seven directors; provides for jurisdiction of the authority; provides for authority operations; authorizes the authority to construct new additional highway or transitway toll facilities with the consent of affected governing bodies; provides for feasibility studies; authorizes acquisition and disposal of private or public property; authorizes the authority to enter into an agreement with LA DEQ for investigative and remedial acts necessary for property acquisition; provides authority to regulate utilities and other conveyances; provides for right-of-way utilization; provides for law enforcement and patrol; authorizes the issuance of bonds and the right to seek other funding sources; specifies bonds issued shall not be made in the full faith and credit of the state or any governmental unit of the state; provides for bond requirements; provides for liability; authorizes the authority to employ professionals; authorizes DOTD to assume control and ownership of any projects once paid in full; provides for legislative review and public hearings; and provides for public records and confidentiality agreements. Proposed amendment allows the authority to receive and utilize monies from the Megaprojects Leverage Fund to reduce or eliminate the cost of tolling for citizens within the five parish area of southwest Louisiana.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION

Proposed law may result in an indeterminable, but significant increase in expenditures across multiple means of finance related to the design, construction and operation of major infrastructure projects by authorized entities in Calcasieu Parish. Proposed law creates the Calcasieu Parish Tolling Authority Act, authorizing an entity with the powers of a nonprofit corporation and the authority to promote, plan, finance, develop, construct, control, regulate, operate and maintain any limited access tollway or transitway operated within the domicile of Calcasieu Parish.

Proposed law provides that prior to creation of the authority and initiation of environmental impact studies, feasibility studies must be conducted under the sponsorship or approval of DOTD or the metropolitan planning organization to substantiate project need and justification. To the extent any such feasibility studies are undertaken, an indeterminable expenditure of state, federal and/or local funds will be necessary. The LFO assumes that feasibility studies will be funded through legislative appropriation from existing revenue sources, potentially with match provided by local governing authorities. This expenditure may occur within the five-year window of this fiscal note, but is not certain. The construction of new highway tolls or transitway toll facilities may only be completed with the express written consent of the affected governing bodies within Calcasieu Parish and after public hearings.

SEE EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

REVENUE EXPLANATION

Proposed law may result in an indeterminable, but significant increase in Local/Other Funds Revenue at some undetermined point in the future. Proposed law creates the Calcasieu Parish Tolling Authority and grants it the right and power to fix, impose, revise and occasionally adjust tolls, fees and charges in connection with its projects sufficient to pay all maintenance, operation, debt service and reserve or replacement costs, and other necessary or usual charges. Such potential revenues are speculative and indeterminable until such time as the authority is constituted, conducts feasibility and environmental impact analyses, and constructs new highway tolls or transitway toll facilities. The amount of any such prospective tolling revenues will depend on the proposed projects, design decisions, total construction costs, and necessary operating and maintenance costs identified by the authority.

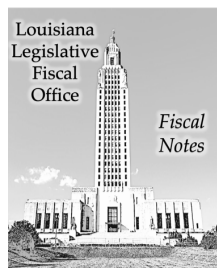
Proposed law authorizes the authority to apply for, receive and accept grants, loans, advances and contributions from any source of money, property, labor, or other things of value, to be held, used and applied for its corporate purposes. Such prospective revenues are speculative and indeterminable.

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
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Interim Deputy Fiscal Officer

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CONTINUED EXPLANATION from page one:

To the extent that feasibility studies identify and authorize the construction of highway tolls or transitway toll facilities, the authority will presumably enter into a public-private partnership or issue bonds to effectuate funding a six-lane bridge, located parallel to the existing I-10 Calcasieu River Bridge, with shoulders, a pedestrian walkway, and related ingress and egress through tolls. Proposed law stipulates that any bonds issued pursuant to this authority shall not be deemed a pledge of the full faith and credit of the state or of any governmental unit of the state. The likelihood that a public-private partnership will be finalized in the five-year window of this fiscal note is indeterminable.

Proposed law authorizes the authority to apply for, receive and accept grants, loans, advances and contributions from any source of money, property, labor, or other things of value, to be held, used and applied for its corporate purposes. Once constructed, repayment of debt, ongoing maintenance and operations will presumably be paid from the proceeds of tolling activities. Such prospective expenditures are speculative and indeterminable, but are presumed to be Local/Other Funds expenditures for the authority.

The authority is authorized to perform, or procure from DOTD or other outside service provider, any service or portion of services necessary to fulfill the duties and obligations of the authority. The authority is authorized to enter into agreements with a public or private entity to construct, maintain, repair or operate authority projects. The authority is authorized to contract with either the state police, a law enforcement district, or municipal law enforcement agency to perform law enforcement and patrol functions. The authority is authorized to employ consultants, engineers, attorneys, accountants, construction and financial experts, superintendents, managers and other such employees and agents as may be necessary for the accomplishment of its purpose and to fix their compensation. The authority is further authorized to acquire private or public property in a designated transportation corridor by donation, purchase, or exchange. The expenditures highlighted in this paragraph are presumed to be Local/Other Funds expenditures for the authority. These activities may or may not occur within the five-year window of this fiscal note.

Proposed law provides that when the bonds issued and interest on any bond issued have been paid in full, and the project is in a condition that meets DOTD standards for structural condition and geometric design and is in a condition of maintenance satisfactory to DOTD, any such project constructed and any property acquired may be transferred by the authority in full ownership to the state. In this case, DOTD would assume jurisdiction and control of the project as part of the state highway system. In the event of such a transfer DOTD may, at the discretion of the secretary, continue to collect any toll or fee for the purpose of maintenance of the project. DOTD would incur SGR expenditures if continuing toll operations, or expenditures out of regular highway maintenance appropriations (assumed to be TTF-Regular and TTF-Federal), to maintain and operate the structure. This eventuality would occur outside of the five-year window of this fiscal note.

Proposed amendment allows the authority to receive and utilize monies within the Megaprojects Leverage Fund, designated for the I-10 Calcasieu bridge, to reduce or eliminate the cost of tolling for citizens within the five parish area of southwest Louisiana. The proposed amendment would require an intergovernmental transfer to the authority; the LFO is not certain how this will be operationalized. The LFO assumes the funds will require an appropriation by the legislature to the authority for this purpose. To the extent funds are used to reduce or eliminate the costs of tolling for parish citizens, funds available for other uses associated with the Megaproject Leverage Fund will be reduced.

For informational purposes: DOTD notes that it currently has a P3 proposal associated with the Calcasieu River Bridge in process and is anticipating the signing of a contract later this year with the selected proposer.

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}

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