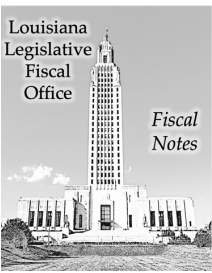


**LEGISLATIVE FISCAL OFFICE  
Fiscal Note**



Fiscal Note On: **HB 761** HLS 22RS 595  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 17, 2022 8:16 AM	<b>Author:</b> TARVER, PHILLIP
<b>Dept./Agy.:</b> Transportation and Development	
<b>Subject:</b> Provides funding for the Calcasieu River Bridge on I-10	<b>Analyst:</b> Alan M. Boxberger

FUNDS/FUNDING OR +\$138,000,000 GF EX See Note Page 1 of 2  
 Provides funding for the Calcasieu River Bridge along Interstate 10

**Proposed law** creates the Calcasieu River Bridge Fund and directs the treasurer to transfer \$138 M from the SGF and \$100 M from the Louisiana Rescue Plan Fund into the fund prior to June 30, 2022; requires that monies in the fund be invested in the same manner as SGF and all interest earned be deposited in and credited to the fund; requires monies in the fund be used exclusively by DOTD for the planning, design, and construction of the Calcasieu River Bridge along Interstate 10; and directs DOTD to allocate and expend additional sums from federal and statutorily dedicated sources for the same purpose in FYs 23 through 27. **Proposed law** shall be effective June 30, 2022, or upon signature by the governor.

EXPENDITURES	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	SEE BELOW	\$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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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>						
REVENUES	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
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>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

**Proposed law** creates the Calcasieu River Bridge Fund and provides for certain deposits into the fund, including \$138 M SGF and \$100 M Statutory Dedications out of the Louisiana Rescue Plan Fund in FY 22 (current fiscal year expenditures and appropriations are not reflected in the table above). The current unallocated balance of monies in the Louisiana Rescue Plan Fund is \$1.384 B. Monies in the fund shall be appropriated to DOTD and used exclusively by the department for the planning, design and construction of the Calcasieu River Bridge along Interstate 10, including but not limited to preconstruction activities such as engineering, surveying, right-of-way acquisition, and utility relocation.

**Proposed law** directs that additional existing or anticipated monies be allocated to the planning, design and construction of the Calcasieu River Bridge along Interstate 10. The source of these additional monies are Federal funds deposited into the Transportation Trust Fund - Federal (TTF - Federal) pursuant to the Infrastructure Investment and Jobs Act (IIJA) and the Construction Subfund of the Transportation Trust Fund - Regular (TTF - Regular) from monies deposited pursuant to the provisions of LA R.S. 48:77 (taxes on the sale, use, or lease of motor vehicles). The breakdown of deposits from these sources is as follows:

FY 23	\$90 M IIJA
FY 24	\$90 M IIJA and \$43.75 M Construction Subfund
FY 25	\$90 M IIJA and \$48.75 M Construction Subfund
FYs 26 and 27	\$90 M IIJA and \$58.75 M Construction Subfund

In total, these allocations sum to \$898 M between FYs 22 and 27.

For informational purposes, the current projected cost of the project is \$1.8 B. Phase I is estimated to cost \$1.2 B and Phase II, from Ryan St. to I-210, is estimated at \$600 M. The proposed \$100 M appropriation out of the Louisiana Rescue Plan

**EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO**

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure. **Proposed law** creates the Calcasieu River Bridge Fund and directs the treasurer to deposit into the Fund \$100 M from the Louisiana Rescue Plan Fund and \$138 M from the SGF in FY 22 (current fiscal year revenues are not reflected in the table above).

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  
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**Evan Brasseaux**  
 Interim Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

Fund is anticipated to be expended to the public-private partnership (P3) developer, when selected, via milestone payments for work completed in accordance with the comprehensive agreement. The addition of \$898 M from the sources identified in proposed law would bring the total anticipated public subsidy for the project to \$1.098 B. Other funding previously made available, committed or allocated to the project total \$200 M and include:

- \$85 M G.O. Bonds (currently in Priority 5) in the Capital Outlay Appropriation Bill
\$30 M from the 2020 Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)
\$50 M from the American Rescue Plan Act (ARPA) of 2021
\$35 M in the IIJA Regular Program.

DOTD notes that monies from ARPA and CRRSAA have mandatory encumbrance and expenditure deadlines. If necessary, monies from these two sources can be expended for right-of-way and engineering costs for the projects. The Calcasieu River Bridge is one of four mega projects and seven capacity projects identified in LA R.S. 48:77 as eligible for appropriations in an amount totaling 75% of taxes on the sale, use or lease of motor vehicles out of the Construction Subfund annually.

DOTD is currently moving through the P3 procurement process with four proposers who were identified through a Request for Qualifications (RFQ). A P3 allows a public entity by contractual arrangement with the private sector to share skills, assets and risks to deliver a transportation facility for the use of the general public. The private entity selected will enter into a comprehensive agreement for the design, construction, financing, as well as operation and maintenance of the new Calcasieu River Bridge. Without identification of additional federal or state funds for the remaining balance of the project, it is anticipated that the remainder of the construction cost will be financed by future revenues generated through an electronic toll system.

NOTE: Allocating state and federal funding sources to a single project over six fiscal years will impact DOTD's capacity to cash manage and fund other projects within the Highway Priority Program. The potential impact on other projects is indeterminable and will be contingent upon approval and authorization of future Priority Program plans by the legislature.

Creating a new statutory dedication within the state treasury will result in a marginal workload increase for the Department of Treasury, which can generally be absorbed within existing resources. However, to the extent other legislative instruments create new statutory dedications, there may be material additional costs associated with the aggregate effort to administer these funds. The Treasury performs fund accounting, financial reporting, banking and custodial functions for 436 special funds. When unable to absorb additional workload with existing resources, the Treasury anticipates it will be required to add one T.O. position at a total personnel services cost of approximately \$73,000, plus approximately \$2,450 for a one-time purchase of office equipment. These expenditures are assumed to be SGF in this fiscal note.

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

House
[X] 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