

**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **HB 279** HLS 24RS 221

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 13, 2024 5:24 PM	Author: MCCORMICK
Dept./Agy.: Caddo-Bossier Parishes Port Commission	Analyst: Jamie Mergist
Subject: Taxation; Regulatory Exemption	

PORTS/HARBORS/TERMINALS OR SEE FISC NOTE LF RV
Provides relative to the boundaries of the Caddo- Bossier Port

Purpose of Bill: This bill prohibits the Caddo-Bossier Parishes Port Commission (Port) from using the payment in lieu of taxes (PILOT) program in Caddo Fire Districts 7 and 8 without written authorization from the respective fire district's board of commissioners. It also removes a provision from current law that exempts the Port from the authority, control, or supervision of local regulatory bodies or political subdivisions.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	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						

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	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

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

The bill requires a PILOT program in Caddo Fire Districts 7 and 8 be approved by the respective districts before being used by the Port. This appears to be an administrative requirement, and is not expected to have direct material impact on governmental expenditures.

The bill also revokes the Port's exemption from local regulations. Based on information from the Port, Caddo Parish Commission, City of Bossier City, Town of Plain Dealing, Village of Belcher, and Bossier Parish Police Jury, this change is expected to have minimal or no effect on governmental expenditures.

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 requires a PILOT program in Caddo Fire Districts 7 and 8 be approved by the respective districts before use by the Port. This appears to be an administrative requirement, and is not expected to have a direct material impact on governmental revenue.

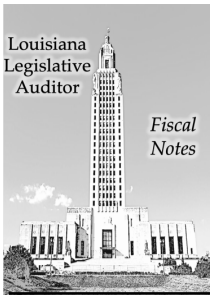
Although we consider such effects to be indirect impacts of the bill, the Port and fire districts indicated that this requirement might have significant revenue impacts. The Port expects a significant decrease in potential governmental revenue due to losses in potential PILOT program fees for the Port and taxes for taxing authorities, as businesses may opt for other locations due to the lessened ability to use the PILOT program in the fire districts (if the fire districts' boards do not approve PILOT usage). Conversely, the fire districts anticipate a significant increase in future revenue from property taxes on properties that would not have been taxed under the PILOT program. It is uncertain whether the Port's or fire districts' predicted impacts will actually occur and any impacts depend on details of specific future projects.

(See page 2 for continued Revenue explanation)

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}

M. G. Battle
Michael G. Battle
Manager, Advisory Services



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CONTINUED EXPLANATION from page one:

Revenue explanation continued:

The bill also revokes the Port's exemption from local regulations by local governmental entities. Based on information from the Caddo Parish Commission, City of Bossier City, Town of Plain Dealing, Village of Belcher, and Bossier Parish Police Jury, this change is expected to have minimal or no effect on governmental revenue. Although we consider such effects to be indirect impacts of the bill, the Port expects a significant decrease in potential governmental revenue due to losses in potential PILOT program fees for the Port and taxes for taxing authorities as businesses may opt for other locations due to the restrictions placed on the businesses by local regulations. It is uncertain whether the Port's predicted impact will actually occur and any impacts depend on details of specific future projects.

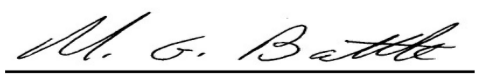
Senate

Dual Referral Rules

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Michael G. Battle
 Manager, Advisory Services