

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 348** HLS 19RS 613

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 22, 2019 9:45 AM	Author: BOURRIAQUE
Dept./Agy.: DOTD	Analyst: Alan M. Boxberger
Subject: Provides relative to public-private partnerships	

TRANSPORTATION DEPT OR SEE FISC NOTE GF EX Page 1 of 1
Provides relative to public-private partnerships

Present law requires that the comprehensive public-private partnership agreement incorporate the duties of the private entity and authorizes the agreement to contain other terms and conditions that the authority and responsible public entity determine serve the public interest. **Present law** specifies that the comprehensive agreement may contain specific provisions.

Proposed law retains **present law** and adds that the comprehensive agreement may also contain provisions under which the authority may assume liability for damages arising out of injuries or property damage to third parties, in the event that the qualifying transportation facility, or portions thereof, are determined to be uninsurable for such damages. **Proposed law** provides for an effective date.

EXPENDITURES	2019-20	2020-21	2021-22	2022-23	2023-24	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2019-20	2020-21	2021-22	2022-23	2023-24	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law may increase SGF expenditures (via the statutorily dedicated Self-Insurance Fund) to the extent the state incurs liability for damages arising out of injuries or property damage to third parties connected with certain transportation facilities.

Proposed law provides that in the event the Louisiana Transportation Authority (LTA) enters into a public-private partnership to develop or operate a qualifying transportation facility, the comprehensive agreement may contain provisions under which the LTA may assume liability for damages arising out of injuries or property damage to third parties, in the event that the qualifying transportation facility, or portions thereof, are determined to be uninsurable for such damages. **Proposed law** is speculative and may require the LTA to assume liability risks on future projects constructed through public-private partnerships. Any such agreements are assumed to be completed with legislative review and consent.

To the extent that the LTA incurs liability, the claim would be paid through the Office of Risk Management by SGF expenditures (via the statutorily dedicated Self-Insurance Fund) or by a SGF direct appropriation to pay judgments.

REVENUE EXPLANATION

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

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} | | <input 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
Evan Brasseaux
Staff Director