LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 161** SLS 15RS 243
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: May 19, 2015 6:08 PM
Author: CHABERT
Dept./Agy.: Department of Transportation and Development
Subject: Provides relative to the Office of Multimodal Commerce
Analyst: Alan M. Boxberger

TRANSPORTATION/DEV DEPT EN +$97,500 SD EX See Note

Provides relative to the office of multimodal commerce within the Department of Transportation and Development. (see Act)

Present law provides for six divisions within the office of multimodal commerce (effective 7/1/16): commercial trucking, ports and harbors, aviation, rail, maritime, and intercity public mass transit. Proposed law consolidates these divisions into four: commercial trucking, ports and waterways, aviation, freight and passenger rail development. Present law requires the Multimodal Commerce Advisory Commission to meet and develop an operational plan and proposed legislation for the 2015 Regular Session necessary to implement the plan on 7/1/16. Present law requires the operational plan to be submitted for legislative review, amendment and approval no later than February 1, 2015. Proposed law retains present law but extends the 2015 deadlines to 2016. Present law provides for membership of the Louisiana Board of International Commerce. Proposed law adds the commissioner of multimodal commerce as a member. Present law provides that the commissioner of multimodal commerce be appointed by the governor effective 7/1/16. Proposed law provides that the commissioner shall be appointed by the governor effective 1/12/16.

EXPENDITURES	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**5 -YEAR TOTAL**
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$97,500	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	**$97,500**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$97,500**					**$97,500**

REVENUES	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**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	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

EXPENDITURE EXPLANATION

Proposed law consolidates the Office of Multimodal Commerce from six divisions down to four. There is no fiscal impact associated with this consolidation as the Office does not currently operate and has no budget appropriation. The two divisions removed from the Office of Multimodal Commerce will operate as under existing law within the current structure of DOTD. Proposed law accelerates the appointment and hiring of the Commissioner of Multimodal Commerce by approximately six months, from July 1, 2016, to January 12, 2015. DOTD estimates the annual salary and related benefits of the Commissioner to be $175,000 ($125,000 salary, $50,000 related benefits). DOTD estimates the annual operating services costs associated with the functions of the Commissioner to be approximately $20,000. Proposed law will increase statutory dedication expenditures from the Transportation Trust Fund Regular by $97,500 in FY15 (1/2 of salary and related benefits = $87,500, 1/2 year of operating services = $10,000).

Act 719 of the 2014 Regular Session of the Louisiana Legislature created the Office of Multimodal Commerce. At that time, the fiscal note reported that creation of the Office, "will not significantly increase governmental expenditures if the proposed Office of Multimodal Commerce operates solely on staff and funding transferred from the Department of Transportation and Development (DOTD). However, governmental expenditures may increase in FY16 and thereafter if the Office requests significant increases in funding for additional staff or operating expenses above amounts currently allocated within DOTD. Present law stipulated that Office would assume operations effective July 1, 2016, subject to the allocation of existing resources from DOTD and appropriation from the legislature. Proposed law does not alter the start date. The expenditure impact, if any, in FY17 and beyond will be determined by the operational plan submitted by the Multimodal Commerce Advisory Committee for the 2016 Regular Session of the Louisiana Legislature and any increase or decrease in appropriation compared to existing DOTD operations will be contingent upon authorization of the legislature through the appropriations bill. DOTD anticipates there will be no net fiscal impact related to the transfer of staff and funding to the Office of Multimodal Commerce, although the operational plan has not yet been finalized.

REVENUE EXPLANATION

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

Senate Dual Referral Rules House

☐ 13.5.1 >= $100,000 Annual Fiscal Cost {S&H}
☐ 13.5.2 >= $500,000 Annual Tax or Fee Change {S&H}
☐ 6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}
☐ 6.8(F)(2) >= $500,000 Rev. Red. to State {H & S}
☐ 6.8(G) >= $500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director