

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 478** HLS 17RS 1148

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 20, 2017	8:11 AM	Author: HOLLIS
Dept./Agy.: Greater New Orleans Expressway Commission		Analyst: Alan M. Boxberger
Subject: Modify bond issuance requirements for GNOEC		

BRIDGES/FERRIES

OR +\$75,000 SG EX See Note

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Modifies requirements for the issuance of toll bonds relative to the Greater New Orleans Expressway Commission (GNOEC)

Proposed law prohibits any toll bond exceeding five million dollars from being issued for repairs until a cost-benefit analysis and objective analysis are conducted. Proposed law requires the cost-benefit analysis to demonstrate, at a minimum, that the proposed expressway improvements and betterments are necessary and will enhance safety. Proposed law requires the objective analysis consider safety, type and volume of traffic, crash records, technical difficulties in preparation of plans and procurement of rights-of-way, whether unforeseeable emergencies will create a need for improvement or reconstruction, whether capacity improvements are warranted due to population or traffic increases, whether the bridge is or will be on an evacuation route for a catastrophic event, and whether the improvement or addition to the bridge will benefit the economic development potential of the state.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$75,000	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$75,000
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>	\$0
Annual Total	\$75,000					\$75,000

REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	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>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will result in an expenditure increase of \$75,000 SGR in FY 18 and in any future fiscal years in which the Greater New Orleans Expressway Commission (GNOEC) plans to issue new toll bonds.

The GNOEC reports that the cost benefit and objective analysis required by proposed law will be prepared by traffic engineers at an estimated cost of \$75,000 per issuance. Toll revenues are currently scheduled to increase on May 6, 2017. The GNOEC is currently reviewing bonding options for specific safety projects. There will possibly be one toll bond issuance by the GNOEC in state FY 18. Should the GNOEC find it economically advantageous to separate the safety projects, there is a possibility that it will make two bond issuances between FY 18 and FY 19.

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}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director