		I FGISI ATI	VE FISCAL	OFFICE		
			Fiscal Note			
Louisana -				Fiscal Note O	on: HB 618	HLS 17RS 749
Legiäative				Bill Text Versio	n: ENROLLED	
FiscaleOffice				Opp. Chamb. Action:		
				Proposed Amd.:		
MACHEMOLES			Sub. Bill For.:			
Date: Jun	Date: June 9, 2017 10:32 AM Author: GAROFALO					
Dept./Agy.: Coa	stal Protection ar	nd Restoration				
Subject: Aut	horizes CPRA to f	inance RESTORE a	nd NRDA payment	s A	Analyst: Willis Br	rewer
COASTAL RESOUR Authorizes the Co Natural Resources	astal Protection a	EN SEE FIS nd Restoration Fina	C NOTE SD EX See N ancing Corporation		nts from the RES	Page 1 of 1 TORE Act and
and the RESTORE of RESTORE bonds or DV and other applicable s assets. Provides for t proceeds of the sale o	the Gulf Coast State WH NRD bonds. Req tate and federal law. he procedures that a f the bonds be used f	Act. Authorizes the courses sale of assets and <u>Proposed law</u> authorized re to be followed for e	prporation to use the transfer of payments is the corporation to is ach, including approva ch the bonds were issu	assets received from the made in accordance sue revenue bonds back and by the State Bond C ed. Specifies that the b	he sale to support the with the requirement ked by the RESTORE commission and the conduction bonds are bonds of the	(NRDA) consent decree ne sale of bonds, either nts of the RESTORE Act assets or the DWH NRD JLCB. Requires that the e corporation and are in coration Fund.
EXPENDITURES	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	2021-22	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	_					
REVENUES	<u>2017-18</u>	<u>2018-19</u>	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	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>	<u>\$0</u>
Annual Total	<u>1-</u>	<u> </u>	<u>1-</u>	<u> </u>	<u>1-</u>	<u>11</u>

EXPENDITURE EXPLANATION

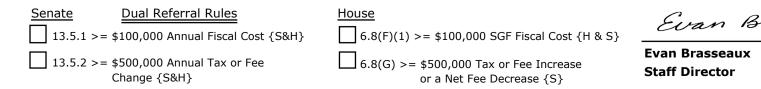
The proposed law may result in an indeterminable cost to Coastal Protection and Restoration Authority (CPRA). The proposed law authorizes the Coastal Protection and Restoration Financing Corporation to issues bonds secured by the revenue from the Deepwater Horizon natural resources damage (NRDA) consent decree (settlement funds) and the Resources Ecosystems Sustainability, Tourist Opportunities, and Revived Economics of the Gulf Coast State Act (RESTORE).

To the extent authorized bonds are sold, the Coastal Protection and Restoration Authority (CPRA) would incur administrative and transactional costs associated with the sale of those bonds which will depend on the number of bonds sold, the dollar amount, bond type, market costs, brokerage fees, interest owed to bondholders, and other associated costs/fees. Any costs cannot be financed with the settlement funds or RESTORE Act funds; therefore, any of these associated costs will have to be paid out of CPRA's operating budget from the Coastal Protection and Restoration Fund (statutory dedication). These expenses will only arise in the event the bonds are sold and cannot be determined at this time.

REVENUE EXPLANATION

The proposed law authorizes the Coastal Protection and Restoration Financing Corporation to issues bonds secured by the revenue from the Deepwater Horizon natural resources damage (NRDA) consent decree (settlement funds) and the Resources Ecosystems Sustainability, Tourist Opportunities, and Revived Economics of the Gulf Coast State Act (RESTORE). Both the NRDA settlement funds and the federal RESTORE Act funds are payable to the Coastal Protection and Restoration Authority (CRPA) in annual payments over the next fifteen years. Bond sales would accelerate the availability of those receipts, but at a cost, and the cumulative total in bond sales shall not exceed the expected gross revenues for the fifteen year period. Any interest owed to the bondholder will be paid via CPRA using its own funds (Coastal Restoration and Protection Fund).

The Coastal Protection and Restoration Financing Corporation is currently authorized to carry out the financing, purchasing, owning, and managing Offshore Royalty Revenues and Offshore Royalty Revenue Assets received under the Gulf of Mexico Energy Security Act (GOMESA). According to CPRA, the CPR Financing Corporation has not sold any bonds using GOMESA funds.



Ein Brasseaux