



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: SB 408 SLS 18RS 600
Bill Text Version: REENGROSSED
Opp. Chamb. Action: w/ HSE FLOOR AMD
Proposed Amd.:
Sub. Bill For.: REVISED

Date: May 14, 2018 2:55 PM Author: APPEL
Dept./Agy.: New Orleans Public Belt Railroad Commission
Subject: Transfer of Authority to Port Gateway Railroad Board Analyst: Steven Kraemer

SPECIAL DISTRICTS REF INCREASE GF EX See Note Page 1 of 1
Provides for authority of the Public Belt Railroad Commission. (gov sig)

Purpose of the Bill: This bill eliminates the Public Belt Railroad Commission, creates the New Orleans Port Gateway Railroad Board, and transfers the operations of the eliminated commission to the new board. This bill also provides for the composition, powers, and duties of the new board. In addition, this bill prohibits trains, locomotives, and railroad cars within the Board's jurisdiction from being left unsecured for 18 consecutive hours or between the hours of 8 PM to 6 AM and requires Louisiana State Police to enforce this prohibition.

Table with 7 columns: EXPENDITURES, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total. Similar structure for REVENUES.

EXPENDITURE EXPLANATION

This bill may increase state general fund expenditures and local fund expenditures.

This bill, in part, prohibits trains, locomotives, and railroad cars within the Board's jurisdiction from being left unsecured for 18 consecutive hours or between the hours of 8 PM to 6 AM, and requires Louisiana State Police to enforce this prohibition. An official with the Port of New Orleans indicated that the security provision of the bill could increase Port expenditures by \$2.5 million initially and annually thereafter by an indeterminable amount for video monitoring equipment and related software and additional personnel. However, this official indicated that these increases were based on informal estimates. In addition, the requirement for Louisiana State Police to enforce the prohibition may increase expenditures for Louisiana State Police by an indeterminable amount.

No other provision of the bill is expected to impact state or local government expenditures. An official with the Public Belt Railroad Commission indicated that there would be no overall direct material effect on governmental expenditures as a result of this bill. Also, an official with the City of New Orleans indicated that this bill will not impact the expenditures of the City. The Commission has historically been a separate entity from the City of New Orleans in terms of revenues and expenditures and the bill is (for the most part) only transferring overall authority and operations. Also, the reduction in the number of board members would have no impact as they have not and will not receive compensation/per diem.

REVENUE EXPLANATION

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

An official with the Public Belt Railroad Commission indicated that there would be no overall direct material effect on governmental revenues as a result of this bill. Also, an official with the City of New Orleans indicated that this bill will not impact the revenues of the City. The Commission has historically been a separate entity from the City of New Orleans in terms of revenues and expenditures and the bill is (for the most part) only transferring overall authority and operations.

Senate Dual Referral Rules
[X] 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}

Signature of Michael G. Battle
Michael G. Battle
Manager, Advisory Services