



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **SB 50** SLS 25RS 29
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

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| Date: June 5, 2025 12:00 PM | Author: LUNEAU |
| Dept./Agy.: Central Louisiana Regional Port | |
| Subject: Debt Issuance Authority | Analyst: Taylor Potter |

PORTS/HARBORS/TERMINALS EN SEE FISC NOTE LF EX See Note Page 1 of 1
 Provides relative to the Central Louisiana Regional Port. (8/1/25)

Purpose of Bill: This bill repeals the \$10 million cap on the amount of bonds and notes that the Central Louisiana Regional Port (Port) can have outstanding at any one time.

| EXPENDITURES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 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 | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Annual Total | | | | | | |
| REVENUES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 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 | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Annual Total | | | | | | |

EXPENDITURE EXPLANATION

This bill expands the Central Louisiana Regional Port's (Port) authority to issue debt. As a result, this bill may increase Port expenditures related to debt issuance to the extent that the Port issues debt that it could not otherwise issue under current law. However, the exact timing and amounts of this impact, if any, is currently indeterminable.

The Port has plans for two projects with current cost estimates totaling \$25 million. The two projects that they are planning to carry out are the Electrical Substation Project and the Beaver Lake Renewable Energy Project. The Electrical Substation Project is scheduled to go out for bid in July 2025, with contract award and financing anticipated in August 2025. The project has already received approval from the State Bond Commission for a maximum amount of \$10 million. The Beaver Lake project is still under evaluation. Should that project move forward, the Port would be required to finance \$15 million to support it. A Port official indicated the final decision on the Beaver Lake project is expected before the conclusion of the 2026 legislative session. Estimated dates for projects range from 2025 to 2028, but could be later.

As stated above, the Port indicated that it may need to borrow funds to pay for these projects, which could potentially increase its total outstanding debt to a maximum of \$25 million (\$15 million above its current debt limit). While this borrowing is anticipated to occur within the next five years, the specific timing, amounts, and terms of the debt are unknown at this time, as all project details are not yet finalized. Therefore, if the Port uses the expanded authority provided by this bill to borrow amounts greater than is allowed under current law, expenditures related to this debt (e.g. interest payments) would increase accordingly, but the exact fiscal impact of this bill is indeterminable at this time due to these uncertainties.

REVENUE EXPLANATION

This bill expands the Central Louisiana Regional Port's (Port) authority to issue debt. As a result, this bill does not have a direct material impact on Port revenue, as proceeds from issuing debt are not considered revenue. However, this bill may increase funds available for projects to the extent that the Port issues debt that it could otherwise not issue under current law. It should be noted that a Port official indicated that these projects are expected to generate revenue for the Port once completed, but detailed current estimates are not available.

Senate Dual Referral Rules
 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}

Michael G. Battle
 Manager, Advisory Services