



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 1154** HLS 16RS 3610

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.: **HB 1110**

Date: May 4, 2016	12:03 PM	Author: BROADWATER
Dept./Agy.: Division of Administration		
Subject: Rebates for Transportation Investments		Analyst: Greg Albrecht

TAX

EG SEE FISC NOTE GF RV See Note

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Authorizes state and local governing authorities to enter into cooperative endeavor agreements and provide for payments in lieu of taxes in exchange for certain transportation investments by public or private corporations

Authorizes the state and local governments to enter into cooperative endeavor agreements with each other, U.S. government agencies, and private corporations to negotiate payments in lieu of taxes, that take the form of investment by the private corporate taxpayer in transportation projects. Agreements involving state funds must be approved by the House Ways & Means and Senate Revenue & Fiscal Affairs Committees meeting jointly and by the House & Senate Transportation Committees meeting jointly. Various required components of the agreements are specified. The Departments of Transportation in cooperation with the Department of Revenue shall promulgate rules and regulations to implement these provisions.

Effective upon governor's signature.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	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>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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

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

REVENUE EXPLANATION

The bill authorizes agreements between the state, local governments, and private corporate taxpayers involving payments in lieu of taxes by private corporate taxpayers in the form of investments in transportation projects. entities based on their investment in transportation projects. The bill provides little guidance as to the parameters of the foregone tax revenue for which a transportation investment be made in lieu of, either in terms of magnitude or timing. Presumably, at some point in the fiscal note horizon state and/or local tax revenue is foregone as transportation investments are made by the private corporate taxpayers. To the extent these projects facilitate economic activity that would not otherwise occur, some offset to the associated foregone tax revenue is generated. However, as with public infrastructure investments financed through traditional means, annual net public costs are incurred to facilitate private economic activity.