

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 599** SLS 12RS 653

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

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| Date: June 4, 2012 7:52 AM | Author: ADLEY |
| Dept./Agy.: Department of Transportation and Development | Analyst: Alan M. Boxberger |
| Subject: Provides for termination of the CCCD | |

CONTINUED EXPLANATION from page one:

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EXPENDITURE EXPLANATION CONTINUED FROM PAGE 1

total, to be used for operations and maintenance of the bridge and connecting roadways. Based on previous public testimony, the Legislative Fiscal Office believes these expenditures will provide for operations, maintenance, landscaping, grass cutting and trash pickup but will not provide for functional and ornamental lighting or large capital projects.

DOTD will incur a one-time \$4 million expenditure from the proposed Crescent City Transition Fund necessary for the purpose of capitalizing the ferry service formerly operated by the CCCD prior to privatization.

The New Orleans Regional Planning Commission (NORPC) will have an estimated \$6.3 million undesignated fund balance available for appropriation from the proposed Crescent City Transition Fund. The proposed law provides for specific purposes for these funds. The Legislative Fiscal Office assumes the NORPC would utilize these funds to pay for functional and ornamental lighting (approximately \$800,000 annually), improvements to ingress and egress points, maintenance, grass cutting and landscaping of the westbank expressway and connecting arteries until the remainder of the funds are expended. Proposed law does not provide for recurring expenditures for these activities after consumption of the undesignated fund balance.

REVENUE EXPLANATION CONTINUED FROM PAGE 1

\$5.8 million in FY 14, \$5.85 million in FY 15, and \$5.95 million in FY 16. The proposed law would result in a loss of deposits into the State Highway Improvement Fund, used to address construction and maintenance of non-federal aid eligible highways, of approximately \$2.25 million in FY 13, \$4.6 million in FY 14, \$4.65 million in FY 15, and \$4.75 million in FY 16. Those funds would instead be deposited into the Transportation Trust Fund for the presumed purpose of maintenance and operations of the existing CCC structures, and for privatization of ferry services.

Proposed law creates the Crescent City Transition Fund and transfers into it all monies collected pursuant to Sections 4.21 and 12.1 of the Amended and Restated Indenture and Deed of Trust between DOTD and Bank One Trust Company, N.A., dated November 1, 2002, or any funds possessed, controlled or due to the Mississippi River Bridge Authority or the Crescent City Connection Division. The monies in the fund shall be invested in the same manner as state general fund and interest earnings shall be deposited into the fund. All unexpended and unencumbered monies remaining in the fund at the end of each fiscal year shall remain in the fund. The first four million deposited into the fund shall be appropriated, if needed, for use by DOTD for the purpose of capitalizing ferry service formerly operated by the CCCD and the balance shall be appropriated to the New Orleans Regional Planning Commission (NORPC). DOTD projects a fund balance of the designated monies at approximately \$10.3 million on December 31, 2011. If this estimation is accurate, the funds available for appropriation to the NORPC will be approximately \$6.3 million.

As the number, size and scope of ferry operations have not yet been finalized, the Legislative Fiscal Office is unable to estimate the potential revenues to be realized from tolls, fares or ferry charges.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}

Evan Brasseaux

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
Staff Director