

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 60** HLS 23RS 384

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 8, 2023	7:20 AM	Author: ECHOLS
Dept./Agy.: Department of Agriculture and Forestry		Analyst: Kimberly Fruge
Subject: Regulation of Fueling Stations for Electric Vehicles		

WEIGHTS/MEASURES EN +\$163,037 SD EX See Note
Provides for the regulation of fueling stations for electric vehicles

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Proposed law will required the Department of Agriculture and Forestry to regulate fueling stations for electric vehicles.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$163,037	\$190,552	\$195,158	\$199,948	\$204,930	\$953,625
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$163,037	\$190,552	\$195,158	\$199,948	\$204,930	\$953,625
REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$45,100	\$49,610	\$54,571	\$60,028	\$66,031	\$275,340
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$45,100	\$49,610	\$54,571	\$60,028	\$66,031	\$275,340

EXPENDITURE EXPLANATION

Proposed law will result in an increase of \$163,037 in FY 24 out of the statutorily dedicated Weights & Measures Fund for one (1) AG Specialist 1 T.O. position and the costs of equipment associated with inspecting electric vehicle fueling stations. In the out-years, the Department of Agriculture and Forestry anticipates needing two (2) AG Specialists to handle the inspection of electric vehicle fueling stations (see further explanation on page two), totaling \$190,552 in FY 25, \$195,158 in FY 26, \$199,948 in FY 27, and \$204,930 in FY 28. The table below shows the breakdown of expenses by category:

	FY 24	FY 25	FY 26	FY 27	FY 28
Salaries	\$39,988	\$83,175	\$86,502	\$89,962	\$93,560
Related Benefits	\$22,839	\$46,907	\$48,186	\$49,516	\$50,900
Operating Expenses	\$ 600	\$51,200	\$51,200	\$51,200	\$51,200
Supplies	\$ 5,010	\$ 9,270	\$ 9,270	\$ 9,270	\$ 9,270
Equipment	\$94,600	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$163,037	\$190,552	\$195,158	\$199,948	\$204,930

*Salaries and related benefits are calculated with a 2% annual market rate adjustment.

Since expenditures exceed the expected revenues (see revenue explanation), the department reports that it can cover the remaining costs using additional appropriations out of the Weights & Measures Fund and/or the Petroleum Products Fund.

REVENUE EXPLANATION

Proposed law will result in an increase in revenues deposited into the statutorily dedicated Weights and Measures Fund from the registration fee assessed on electric charging stations. The department anticipates the fee will be \$100 per individual charging station. Currently there are 451 individual charging stations in the state that will be charged a fee. Assuming a 10% increase in the number of charging stations per year (see continued expenditure explanation on page two), the department estimates the following revenue collections:

- FY 24 - \$45,100
- FY 25 - \$49,610
- FY 26 - \$54,571
- FY 27 - \$60,028
- FY 28 - \$66,031

To the extent more or less than a 10% increase in charging stations is realized in any given fiscal years, revenues will be adjusted accordingly.

Senate
 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}

Evan Brasseaux
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Interim Deputy Fiscal Officer

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CONTINUED EXPLANATION from page one:

CONTINUED EXPENDITURE EXPLANATION FROM PAGE ONE:

Currently, the department estimates there are 451 individual charging stations that will need to be inspected. There are approximately 150 more charging stations that do not currently charge a fee, and thus do not require an inspection, but may charge a fee in the future as demand rises. In addition, the Infrastructure Investments and Jobs Act (IIJA) will provide Louisiana with \$73 M starting in 2023 for the Department of Transportation and Development to add chargers along the interstate every 50 miles. This will add approximately 300 charging stations in the next five years. Lastly, Tesla has plans to add an additional non-Tesla interoperable charging point to each device they have in the state, which will increase the number of devices that need testing. For the purpose of this fiscal note, the department estimates costs and revenues at a 10% annual increase in the number of charging stations that will need an inspection.

The department estimates that an individual inspector could do between 300 and 400 inspections per year, including travel time. The assumption is that these charging stations will take longer to test than other tests done by the department as procedure calls for a maximum load test and minimum load test and a test of a single charger would need to fully charge an electric vehicle in the process. Travel time is likely to be longer as well given the current dispersion of charging stations throughout the state.

Senate

Dual Referral Rules

House

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

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

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}

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