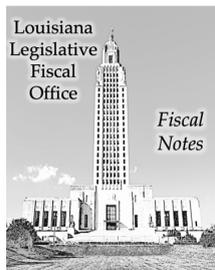


**LEGISLATIVE FISCAL OFFICE
Fiscal Note**



Fiscal Note On: **HB 838** HLS 26RS 1225
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 30, 2026 10:29 AM **Author:** BAGLEY
Dept./Agy.: Department of Public Safety; Office of Motor Vehicles **Analyst:** Katherine Granier
Subject: Eliminates the requirement for certain vehicles to have an

MTR VEHICLE/INSPECTION OR +\$139,994 SG RV See Note Page 1 of 2
 Provides with respect to vehicle inspection stickers

Proposed law revises vehicle inspection sticker requirements. Proposed law eliminates the requirement for annual safety inspection stickers for most motor vehicles registered in LA, maintaining the inspection requirement only for commercial vehicles and student transportation vehicles. Current law, every motor vehicle, low-speed vehicle, trailer, semitrailer, and pole trailer must bear a valid safety inspection certificate issued by the state. Proposed law removes the inspection sticker requirement applicable to all other motor vehicles. Proposed law repeals certain statutes concerning inspection stations and assembled vehicles. Proposed law eliminates or modifies the current law requirement for physical inspection stickers on certain classes of vehicles and may allow alternative verification methods, such as digital identifiers or QR codes. Proposed law requires every vehicle or low-speed vehicle registered in Louisiana to bear the LA Vehicle Identification Program sticker (LVIP).

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$139,994	\$139,994	\$139,994	\$139,994	\$139,994	\$699,970
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$139,994	\$139,994	\$139,994	\$139,994	\$139,994	\$699,970

EXPENDITURE EXPLANATION

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

REVENUE EXPLANATION

Proposed law will result in an increase of \$139,994 in SGR to the Department of Public Safety (DPS), Office of Motor Vehicles (OMV). The Louisiana Vehicle Identification Program (LVIP) sticker is proposed to cost a maximum of \$6 and may be assessed and collected on a biennial basis. As a result, the LVIP sticker fee will generate an increase inspection-related revenues on a per-vehicle basis.

The OMV indicates the revenue impact will be neutral after approximately four years due to the phased transition of vehicles to the LVIP sticker based on staggered registration cycles (1-, 2-, and 4-year renewals). During the initial implementation period, revenues will lag as vehicles transition to the new system. After two years, the majority of vehicles are expected to carry the LVIP sticker, with full implementation achieved by year four.

For illustrative purposes, the table shows a comparison of the proposed vs. the present law:

Proposed Law		Fee	FY 27 to FY 31
Estimated Projected Transactions	1,211,390		
LVIP		\$12	\$ 14,536,680
Total Proposed Law			\$14,536,680
Present law			
Avg Sticker Transaction - 2 YR	1,087,292		
2 YR MVI Stickers-OMV		\$2.50	\$ 2,718,230
2 YR MVI Stickers- OSP		\$8	\$ 8,698,336
		\$10.50	\$11,416,566
Avg. Sticker Transaction - 1 YR	567,642		
1 YR MVI Sticker- OMV		\$1.25	\$ 709,553
1 YR MVI Sticker- OSP		\$4	\$ 2,270,568
		\$5.25	\$ 2,980,121
Total Present Law			\$14,396,687
Total Revenue Increase (Difference Proposed - Present Law)			\$ 139,994

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}

Patrice Thomas
 Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:
REVENUE EXPLANATION Continued

Department of Environmental Quality. Proposed law does not eliminate emissions testing requirements in parishes subject to the federal Clean Air Act (East Baton Rouge, West Baton Rouge, Ascension, Livingston, and Iberville). In these parishes, vehicles will continue to obtain emissions control stickers and pay the associated \$8 fee. Of this amount, \$6 is retained by MVI stations and \$2 is remitted to the Department of Environmental Quality (DEQ). Based on approximately 313,625 emission control stickers sold annually, DEQ is expected to continue receiving approximately \$607,406 in revenue per year.

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}
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