

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 369** HLS 19RS 447

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 29, 2019	8:35 AM	<b>Author:</b> PIERRE
<b>Dept./Agy.:</b> La Trucking Research and Education Council		<b>Analyst:</b> Alan M. Boxberger
<b>Subject:</b> Creates the La Trucking Research and Education Council		

MTR VEHICLE/TRUCKS RE +\$300,000 OF RV See Note  
Creates the Louisiana Trucking Research and Education Council

Page 1 of 2

**Proposed law** creates the La. Trucking Research and Education Council and establishes its domicile as Baton Rouge, LA; specifies that the council is to be comprised of 13 members who serve terms concurrent with the governor; requires that the council meet immediately following appointment to elect leadership positions; authorizes the council to disqualify any member for cause and provides for filling a vacancy; specifies the council may establish rules and regulations; specifies that the council is subject to the Public Records and Open Meetings Laws; authorizes the council to exercise certain powers; requires that the surcharge imposed and levied at the rate of 3% on all Class 1 registration fees for trucks and trailers in excess of 23,999 pounds, as provided in **present law**, be paid in addition to and simultaneous with any registration fee; and specifies that the surcharge be paid by the relevant state agency to the council on a quarterly basis.

EXPENDITURES	2019-20	2020-21	2021-22	2022-23	2023-24	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>						
REVENUES	2019-20	2020-21	2021-22	2022-23	2023-24	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	<b>\$1,500,000</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$1,500,000</b>

**EXPENDITURE EXPLANATION**

**Proposed law** will result in nominal one-time expenditures for the Department of Public Safety (DPS), Office of Motor Vehicles (OMV) and a significant increase in recurring expenditures for the newly created Louisiana Trucking Research and Education Council (council). **Proposed law** creates the Louisiana Trucking Research and Education Council to promote education, training, research, and development for enhanced safety and efficiency within the industry.

**DPS/OMV**

**One-time Expenditures**

**Proposed law** authorizes OMV to impose and levy a 3% surcharge on all Class 1 registration fees for trucks and trailers in excess of 23,999 pounds as provided in R.S. 47:462(B)(3)(a) and to deposit the collections with the council on a quarterly basis. OMV estimates that updates to the vehicle registration system will require 160 hours by an IT Applications Programmer/Analyst 3 for coding changes related to vehicle registration accounting/transactions. OMV estimates total overtime and related costs at \$12,175 (160 hours x \$75/hour plus 1.45% Medicare) - assumed to be SGF. The Legislative Fiscal Office believes that any additional IT work associated with this legislation will be incremental in nature, and that the Department can potentially accomplish these tasks utilizing existing resources and budget authority. To the extent that numerous pieces of legislation are enacted that require additional programming efforts and system modifications, the Department will likely require additional resources.

**SEE EXPENDITURE EXPLANATION CONTINUED ON PAGE 2**

**REVENUE EXPLANATION**

**Proposed law** will result in a significant increase in restricted/other revenues to be collected by DPS/OMV then transferred to the newly created council. Total revenues to the council are estimated at approximately \$300,000 annually.

**DPS/OMV**

**Proposed law** authorizes OMV to impose and levy a 3% surcharge on all Class 1 registration fees for trucks and trailers in excess of 23,999 pounds as provided in R.S. 47:462(B)(3)(a) and to deposit the collections with the council on a quarterly basis. OMV reports that the average fees collected pursuant to **present law** for Class 1 trucks of all weight classes equate to approximately \$44 M per year. The 3% surcharge imposed by **proposed law** on trucks in excess of 23,999 pounds would generate approximately \$300,000 annually to be transferred to the council.

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}

*Evan Brasseaux*  


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**Evan Brasseaux**  
**Staff Director**

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**CONTINUED EXPLANATION from page one:**  
**EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE**

**Louisiana Trucking Research and Education Council**

**Recurring Expenditures**

**Proposed law** provides that the council will promote education, training, research, and development for enhanced safety and efficiency within the industry through a variety of activities. Because the council has not been formally created and the staffing level and cost projections are unknown, total expenditures of the council are indeterminable but expected to be significant based on the total revenues to be generated for its operations from a 3% surcharge on all Class 1 registration fees for trucks and trailers in excess of 23,999 pounds as provided in R.S. 47:462(B)(3)(a). This source is anticipated to generate approximately \$300,000 for annual operating expenses.

**Proposed law** provides that the council shall enter into a cooperative endeavor agreement (CEA) with the Louisiana Motor Transport Association Foundation, a nonprofit corporation, for the use of staff and resources to carry out the powers and duties of the council. Council members shall not receive a salary for their services, but shall be reimbursed for actual travel expenses. The reimbursement shall be made from funds available to the council. The membership of the council shall be comprised of the following: eight trucking industry representatives, the superintendent of the Louisiana State Police (or designee), the superintendent of education (or designee), the secretary of DOTD (or designee), the president of the Board of Supervisors of the Louisiana Community and Technical College System (or designee), and the secretary of the Louisiana Workforce Commission (or designee).

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}

*Evan Brasseaux*

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**Staff Director**