

2021 Regular Session

HOUSE BILL NO. 623

BY REPRESENTATIVE MCFARLAND

TRANSPORTATION: Provides for increases to fees and self-generated revenue of the Department of Transportation and Development

1 AN ACT

2 To amend and reenact R.S. 48:274.1(A)(2)(a) and (3) and to enact R.S. 48:72 and 461.28,
3 relative to fees administered by the Department of Transportation and Development;
4 to create outdoor advertising permit fees; to provide for department fees and self-
5 generated revenue generally; to provide for fees and revenue of the information logo
6 signing program; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 48:274.1(A)(2)(a) and (3) are hereby amended and reenacted and
9 R.S. 48:72 and 461.28 are hereby enacted to read as follows:

10 §72. Fees and self-generated revenue of the department

11 A. Notwithstanding any provision of law to the contrary, the department
12 shall prioritize self-generated revenue as a substantive means of financing for its
13 operations in the following manner:

14 (1) The amount of any fee or rate charged to an individual person for any
15 service or purpose by the department shall not be less than twenty-five dollars.

16 (2) The amount of any fee or rate charge to a business for any service or
17 purpose by the department shall not be less than fifty dollars.

18 B. Notwithstanding any other provision of law to the contrary, any flat or
19 formula based fee or rate established in law, the Louisiana Administrative Code, or
20 in any other manner by the department, as of June 30, 2020, shall be increased by ten

1 five years; however, the department may extend the initial term of the contract for
2 not more than four additional five-year periods.

3 * * *

4 (3)(a) The department shall establish appropriate and reasonable fees for
5 companies with fewer than fifty employees; however, the fees shall not exceed the
6 following:

7 (a) (i) ~~Four hundred seventy-five~~ One thousand dollars, per direction, per
8 mainline. However, beginning in Fiscal Year 2005, the fee per mainline sign shall
9 not exceed ~~two hundred seventy-five dollars~~; beginning in Fiscal Year 2006, the fee
10 per mainline sign shall not exceed ~~three hundred seventy-five dollars~~; beginning in
11 Fiscal Year 2007, the fee per mainline sign shall not exceed ~~four hundred twenty-five~~
12 ~~dollars~~; and beginning in Fiscal Year 2008, the fee per mainline sign shall not exceed
13 ~~four hundred seventy-five dollars~~.

14 (b) (ii) ~~One~~ Five hundred dollars per direction per ramp.

15 (c) (iii) ~~Fifty~~ Two hundred fifty dollars per trailblazer.

16 (b) The department shall not limit the fees for companies with more than
17 fifty employees. Instead, for companies with more than fifty employees, the
18 qualified third party or parties shall seek to market the program in an effort to
19 maximize revenue.

20 * * *

21 §461.28. Outdoor advertising annual permit fees

22 A.(1) Notwithstanding any provision of law to the contrary, the annual
23 permit fee for outdoor advertising signs, displays, and devices owned by a company
24 with fewer than fifty employees shall be as follows:

25 (a) Fifty dollars for each structure positioned along non-interstate highways.

26 (b) Two hundred fifty dollars for each structure positioned along interstate
27 highways.

1 (2) Notwithstanding any provision of law to the contrary, the annual permit
2 fee for outdoor advertising signs, displays, and devices owned by a company with
3 more than fifty employees shall be as follows:

4 (a) Ten percent of the previous year's gross annual revenues generated for
5 the company by each individual structure positioned along any state road, highway,
6 or interstate in Louisiana.

7 B. All fees collected pursuant to the provisions of this Section shall be
8 considered self-generated revenues and deposited by the secretary of the Department
9 of Transportation and Development, into the state treasury for credit to the
10 department. After compliance with the requirements of Article VII, Section 9(B) of
11 the Constitution of Louisiana relative to the Bond Security and Redemption Fund,
12 the monies so deposited shall be appropriated as self-generated revenues to the
13 department.

14 C. The department may promulgate rules, in accordance with the
15 Administrative Procedure Act, to provide for the administration of this Section.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 623 Original

2021 Regular Session

McFarland

Abstract: Provides for the increase to certain fees of the Department of Transportation and Development (DOTD) and a blanket increase on all fees of the department.

Proposed law requires the DOTD to prioritize self-generated revenue as a means of financing department operations by establishing the following:

- (1) A minimum of \$25 for all fees or rates charged to individuals for any service or purpose by the department.
- (2) A minimum of \$50 for all fees or rates charged to businesses for any service or purpose by the department.

Proposed law requires the DOTD on July 1, 2021 to increase any flat or formula based fee or rate established in law, the La. Admin. Code, or any other manner by the department, as of June 30, 2020, by 10%. Proposed law requires the DOTD, in the event the 10% increase does not raise a fee to the minimum being established by proposed law, to automatically increase the fee to the corresponding minimum threshold.

Proposed law requires the DOTD, beginning July 1, 2022, to adjust fees annually in accordance with the U.S. Bureau of Labor Statistics' consumer price index for all urban consumers as published in January each year.

Proposed law requires the DOTD to assess its costs for services relative to fees and rates adjusted in accordance with proposed law and to submit a report to the Commission on Government Reform in Transportation, to be created in proposed law, with its findings by no later than December 31, 2022.

Present law requires a third party contracting with the DOTD for the placement, erection, and maintenance of specific information logo signs to pay the department a minimum of \$150 per year or 10% of the gross revenue of the logo signing program, or whichever is greater, for use of rights-of-way.

Proposed law removes the \$150 minimum threshold from present law.

Present law requires the DOTD to establish fees for the logo signing program not to exceed the certain amounts within each category. Present law required the fees to be increased to certain levels in Fiscal Years 2005-2008.

Proposed law modifies present law to specify that fee maximums are applicable only to companies with fewer than 50 employees and raises the maximum amount of the fee in each category as follows:

- (1) From \$475 to \$1,000, per direction, per mainline and removes the increases for Fiscal Years 2005-2008.
- (2) From \$100 to \$500 per direction per ramp.
- (3) From \$50 to \$250 per trailblazer.

Proposed law requires the DOTD to not limit the fees for companies with more than 50 employees and requires the third party to market the program in an effort to maximize revenue.

Proposed law creates a new annual outdoor advertising permit fee within the DOTD for outdoor advertising signs, displays, and devices and sets the fees for a company with less than 50 employees at \$50 for structures along non-interstate highways and \$250 for structures along interstate highways, and for a company with more than 50 employees at 10% of the previous year's gross annual revenues generated for the company by each individual structure positioned along a road, highway, or interstate in La. Proposed law classifies the revenues generated from these fees as self-generated and requires the secretary of the DOTD to deposit the revenue in the state treasury for credit to the department and to be appropriated as self-generated revenues to the department after compliance with Bond Security and Redemption Fund. Proposed law authorizes the DOTD to promulgate rules for this new fee.

(Amends R.S. 48:274.1(A)(2)(a) and (3); Adds R.S. 48:72 and 461.28)