
DIGEST

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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)