

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 636** HLS 21RS 818

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 25, 2021	2:00 PM	Author: PIERRE
Dept./Agy.: Transportation and Development		Analyst: Alan M. Boxberger
Subject:		

HIGHWAYS OR INCREASE SG EX See Note Page 1 of 1
Provides relative to the Department of Transportation and Development's authority over high-occupancy vehicle lanes on state highways

Proposed law authorizes the secretary of DOTD to designate high-occupancy vehicle (HOV) lanes on any highway in the state highway system and to exercise police powers as necessary to maintain the peace; requires any travel lane designated as HOV to be used for the exclusive use of HOVs; authorizes DOTD to establish permitting requirements to authorize access to HOV lanes; provides for violations; provides for establishment of an HOV fine not to exceed \$100; provides the registered owner is liable for payment of penalties, fees and charges whether operating the vehicle at the time of the infraction or not; provides for exceptions; provides for penalty collection processes; authorizes penalties for late payments or failure to pay; provides for timelines; provides for video recording, photograph or other electronic data to be admissible in an HOV violation proceeding; authorizes the department to hire or contract for an appropriate workforce necessary to carry out the provisions of this measure; provides that these provisions do not preclude any police officer from enforcing laws within a designated HOV lane but does restrict the department from issuing an additional citation if already cited by a police officer.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	SEE BELOW	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

Proposed law will likely increase SGR expenditures within the LA Department of Transportation and Development associated with developing High Occupancy Vehicle (HOV) lane permitting and enforcing usage thereof. While this fiscal note denotes potential expenditure impacts to SGR means of financing, any lack of SGR resources is assumed to require one-time or recurring expenditures out of the SGF or statutory dedications out of the Transportation Trust Fund - Regular. Proposed law authorizes the secretary of DOTD to exercise the police powers of the state as necessary to maintain the peace and accomplish the orderly handling of his authority to designate high-occupancy vehicle (HOV) lanes on any highway in the state highway system. The department is authorized to establish permitting requirements for motor vehicles using HOV lanes, including registration of the HOV with the department prior to utilizing the lane. Assuming the department exercises its authority to establish permitting requirements for, and police the usage of, HOV lanes, the department is likely to realize significant expenditures associated with permitting and enforcement activities.

As these activities are currently undefined and unplanned, any such costs are speculative and cannot be estimated. However, the department is likely to realize significant expenditures to capitalize an enforcement mechanism (either personnel and vehicles or electronic monitoring technology) and will potentially require additional recurring personnel expenditures to process violations if such workload is significant, such as the department violation clerk referenced in the measure. The department will be required to provide violation notices by first-class mail to the registered owner of the motor vehicle at the owner's address of record. The department shall be required to notify the Office of Motor Vehicles of delinquent violation payments and OMV shall not renew the driver's license of the registered owner until after notice from the violation clerk that the matters have been disposed of in accordance with law.

REVENUE EXPLANATION

Proposed law will likely increase SGR revenues to DOTD associated with HOV lane violations, administrative fees and penalties for late payment. Proposed law provides that "where a record generated by an HOV monitoring system shows an HOV violation by a motor vehicle, the vehicle's registered owner shall be liable to make prompt payment to the department of the proper penalty and, except as provided in this Section, an administrative fee to recover the cost of collecting the penalty." Due to the language stipulating "payment to the department," the LFO assumes the intent of this legislation is to accrue any permitting and penalty collections to the department as self-generated revenues and that payments for violations are not intended to accrue to the local governing authority of the jurisdiction where the violation occurs.

Proposed law provides that the penalty for an HOV violation shall be a fine of not more than \$100. DOTD is further authorized to assess certain penalties for late payment. The administrative fee and penalty amount for late payment are not specified in this measure and assumed to be established by future administrative rule making by the department. The magnitude of any such potential revenues is speculative and cannot be estimated.

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}

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Legislative Fiscal Officer