



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

Fiscal Note On: **SB 44** SLS 23RS 52  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action: **w/ HSE FLOOR AMD**  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 26, 2023	11:58 AM	<b>Author:</b> POPE
<b>Dept./Agy.:</b> Department of Transportation and Development		<b>Analyst:</b> Kimberly Fruge
<b>Subject:</b> HOV; HOV Lanes		

ROADS/HIGHWAYS EGF +\$1,100 SG EX See Note Page 1 of 1  
 Provides relative to high-occupancy vehicle (HOV) lanes. (gov sig)

Proposed law provides clarifications regarding high-occupancy vehicle (HOV) and HOV lanes.

Proposed law designates a portion of LA Highway 38 in Tangipahoa Parish as the "Harold J. Smith Thruway." Proposed law directs the Department of Transportation and Development (DOTD) to erect and maintain appropriate signage reflecting this designation provided local or private monies are received by the department equal to the department's actual costs for material, fabrication, mounting posts, and installation of each sign, not to exceed the sum of \$550 per sign.

EXPENDITURES	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$1,100	\$0	\$0	\$0	\$0	<b>\$1,100</b>
Ded./Other	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	<b>\$0</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><u>\$0</u></b>
<b>Annual Total</b>	<b>\$1,100</b>					<b>\$1,100</b>

  

REVENUES	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	SEE BELOW	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</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><u>\$0</u></b>
<b>Annual Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Proposed law will create a direct and indirect increase in expenditures to designate a portion of Louisiana Highway 38 in Tangipahoa Parish as the "Harold J. Smith Thruway." The Department of Transportation and Development (DOTD) will expend approximately \$1,100 local and/or private monies - designated as SGR - for the material, fabrication cost, mounting posts and labor required for the installation of two signs (approximately \$550 each). DOTD installs and maintains signage as a normal operating expense associated with maintaining the state highways.

The indirect increase in expenditures is attributable to the long-term maintenance and possible replacement costs for damaged or destroyed signs. The maintenance cost over time should be negligible, but to the extent that additional signage is added to the department's inventory each year, the department's effort to maintain them increases incrementally. Material and labor costs for any new signage is estimated to recur every 10 years in perpetuity, as roadway signs must be replaced due to age or damage.

For illustrative purposes, the 2022 Regular Session of the Legislature resulted in 12 Acts requiring DOTD to fabricate and install 34 signs that included a provision that local or private monies must cover the cost of materials, fabrication and installation. The initial cost incurred due to these legislative actions was estimated to be \$23,200 SGR exclusive of long-term maintenance and replacement costs. The 2021 Regular Session of the Legislature resulted in ten Acts requiring DOTD to fabricate and install 34 signs, 26 of which included a provision that local or private monies must cover the cost of materials, fabrication and installation. The initial cost incurred due to these legislative actions was estimated to be \$19,800 (\$15,400 SGR assuming local/private monies were collected, exclusive of long-term maintenance and replacement costs; and \$4,400 Statutory Dedications out of the TTF-Regular).

There are no costs associated with the technical changes to the HOV statute within proposed law.

**REVENUE EXPLANATION**

Proposed law directs DOTD to erect and maintain signs of the aforementioned designation provided local or private monies are received by the department to fabricate and install the signs. The LFO assumes a one-time SGR collection of \$1,100 for the department's use for material, fabrication, mounting and installing of two signs (approximately \$550 each).

Senate  
 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**  
 Interim Deputy Fiscal Officer