



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: **HB 211** HLS 13RS 688
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.: **REVISED**

Date: April 19, 2013 2:50 PM	Author: CONNICK
Dept./Agy.: Parishes and Municipalities	
Subject: Creates local transportation districts	Analyst: Julie Magee

DISTRICTS/SPECIAL OR +\$252,575 GF EX See Note Page 1 of 2
Authorizes parishes and municipalities to create local transportation districts within their territorial jurisdiction

Purpose of Bill: This measure authorizes the governing authority of any parish or municipality to create a local transportation district. The district’s powers and duties include the following: (1) create a corporate seal, (2) acquire and dispose of property, (3) make and enter into contracts, conveyances, mortgages, deeds or trust, bonds and leases, and (4) incur debt and borrow money. The district shall be governed by a board of commissioners who shall serve without compensation. This measure authorizes districts, subject to voter approval, to impose and collect an annual fee of \$1 per \$1000 of the value of private automobiles but no less than \$20 per automobile. This measure requires the district to impose, on other motor vehicles, an annual license fee based upon carrying capacity, horsepower, value, or weight. The fee expires 10 years after the imposition, but can be renewed up to 10 years. The district will enter into a cooperative endeavor agreement with DPS for the collection of the fee. The proceeds of the fee will be used solely and exclusively for the maintenance of state highways included within the district.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$252,575	\$192,820	\$192,820	\$192,820	\$197,420	\$1,028,455
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION
State General Fund expenditures may increase by \$1,028,455 over the next five years.

According to an official with the Department of Public Safety and Corrections (DPS), this measure will require two additional IT Programmer Analyst II positions and 550 hours of overtime for the Information Technology section. The new positions and programming overtime are required for Unisys application development, internet, and mail-in renewal process modifications. The internet, mail-in, and online transaction programs will need to be rewritten and financial systems will require extensive modifications to calculate district fees. The ISIS revenue classification subsystem will need to be modified for the classification of district fees collected and disbursed.

According to DPS, in addition to the new positions and overtime required by the measure, a professional service contract will be required for identification, monitoring, and electronic reporting of district identification codes based on customer addresses. The contractor will manage and report districts created due to this measure and provide ongoing services throughout the year.

Local governmental expenditures may increase as a result of this measure.

The fiscal impact on local expenditures cannot be determined at this time. If a transportation district were created, local expenditures for maintenance of state highways may increase as the district collects fees and spends these fees for purposes specified in the bill. This measure allows the district to make and enter into contracts, conveyances, mortgages, deeds or trusts, bonds and leases. If this were to occur, there would be an increase in expenditures for the interest on any indebtedness and there may be expenditures associated with the issuance of debt.

REVENUE EXPLANATION
Agency Self-Generated revenues and Local Governmental revenues may increase as a result of this measure.

Revenue explanation on p. 2.

Senate	Dual Referral Rules	House	
☒ 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}	☐ 6.8(F) >= \$500,000 Annual Fiscal Cost {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}		Joy Irwin Director of Advisory Services



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CONTINUED EXPLANATION from page one: Page 2 of 2

According to an official at the Louisiana Municipal Association, it would be difficult to determine the fiscal impact on revenue and expenditures of this measure, because it is unknown if or where the transportation districts will be created. Any increase in fees would have to be approved by the electorate of the district. If the district is created in a major metropolitan area, then the revenues generated will be significantly higher than in a smaller community.

According to an official with DPS, the amount of the revenue generated by DPS as a result of this measure cannot be determined at this time. Collections will be dependent upon the number of cooperative endeavor agreements with DPS for collections and disbursement of fees for districts established under this measure.

According to DPS, their Financial Services section will have to escrow fees for each of the created transportation districts. An administrative fee will be kept by DPS to cover the cost of administration. The amount of this administrative fee is not stated in the measure, but it will be recognized as Self-Generated Revenue.