

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 60** HLS 18RS 401

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 13, 2018	4:13 PM	Author: COX
Dept./Agy.: DOTD		Analyst: Alan M. Boxberger
Subject: Designates a portion of LA Hwy 175		

HIGHWAYS EN +\$1,100 SD EX See Note Page 1 of 1
Designates a portion of Louisiana Highway 175 as the "SSG Richard Lee Vasquez Memorial Highway"

Proposed law designates a portion of La Highway 175 from the city limits of Mansfield to Interstate 49 as the "SSG Richard Lee Vasquez Memorial Highway". Proposed law directs 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	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$1,100	\$0	\$0	\$0	\$0	\$1,100
Ded./Other	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$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	\$1,100					\$1,100

REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will create a direct and indirect increase in expenditures. DOTD will expend approximately \$1,100 local and/or private monies - designated as SGR for the material, fabrication cost, mounting posts and installation required for the installation of two signs (approximately \$550 each). The signs will designate a portion of La Highway 175 from the city limits of Mansfield to Interstate 49 as the "SSG Richard Lee Vasquez Memorial Highway". 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 2017 Regular Session of the Legislature resulted in twelve Acts requiring DOTD to fabricate and install 34 signs (including the provision of local or private monies to cover costs). The initial cost incurred due to these legislative actions is estimated to be \$27,740 in FY 18, exclusive of long-term maintenance and replacement costs.

REVENUE EXPLANATION

Proposed law directs DOTD to erect and maintain signs of the aforementioned designations 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 two signs (approximately \$550 each).

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}

Evan Brasseaux
Evan Brasseaux
Staff Director