



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 84** SLS 19RS 314
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 10, 2019	7:56 AM	Author: ERDEY
Dept./Agy.: DOTD		Analyst: Alan M. Boxberger
Subject: Authorizes designation of high occupancy vehicle lanes		

TRANSPORTATION/DEV DEPT OR SEE FISC NOTE SD EX Page 1 of 1
 Authorizes designation of a high occupancy vehicle (HOV) lane on state highways. (8/1/19)

Proposed law authorizes the DOTD assistant secretary of the office of operations or the chief engineer to designate a high occupancy vehicle (HOV) lane on any highway in the state highway system and to restrict the use thereof to vehicular traffic classified as a "high occupancy vehicle (HOV)" to the extent he thinks it expedient that, in his judgment, is appropriate to provide travel time savings and to increase the total number of people moved through a highway corridor with high levels of travel demand and traffic congestion.

Proposed law defines a "high occupancy vehicle" to mean a passenger car, pickup truck, van, recreational vehicle, or a bus or other motorized passenger vehicle used for transporting persons such as a carpool or vanpool vehicle used for ridesharing purposes and occupied by a driver and one or more passengers and to exclude a truck, tandem truck, tractor, truck-tractor, combination of vehicles, or commercial motor vehicle carrying or transporting freight, merchandise or other property from its meaning; and defines "high occupancy vehicle lane" to mean one or more lanes of a highway or an entire highway where HOV vehicles are given at all times, or at regularly scheduled times, a priority or preference over some or all other vehicles moving in the general stream of all highway traffic. **Proposed law** is effective August 1, 2019.

EXPENDITURES	2019-20	2020-21	2021-22	2022-23	2023-24	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW					
Annual Total						

REVENUES	2019-20	2020-21	2021-22	2022-23	2023-24	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

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

Proposed law authorizes, but does not direct, DOTD to designate high occupancy vehicle (HOV) lanes on any highway in the state highway system if deemed an appropriate designation to facilitate travel time savings and increase the number of people moved through high-traffic corridors. Because **proposed law** is permissive, no expenditure obligation is created with its adoption. However, to the extent that DOTD designates high occupancy vehicle lanes on any highway in the state highways system, that action will likely create significant but indeterminable state and local expenditure obligations to provide for repurposing and modifying existing infrastructure, building new infrastructure and enforcement activities.

DOTD reports that the cost to implement an HOV lane on existing general-purpose lanes is estimated at \$50,000 per lane-mile if it requires no additional pavement. The \$50,000 per lane-mile cost would include signage, pavement markings, engineering and contingencies. In the event the department were to build new capacity projects in the state that incorporated HOV lanes, the cost of construction may be impacted by design decisions that may add an additional lane to be designated as HOV or may design modifiable lanes that can be redirected depending on the desired flow of traffic during peak travel times. Any such cost is indeterminable and would depend on design decisions and the lane capacity of the proposed project's footprint. The primary funding source of the state highway system is a blend of the state gas tax (Transportation Trust Fund or TTF-Regular) and the federal gas tax (Federal Highway Trust Fund or TTF-Federal) along with supplementary funding from G.O. Bond proceeds, periodic appropriations of SGF from surplus revenues, direct federal allocations for specific projects and local funds match in some circumstances.

Proposed law may result in additional state or local expenditures to the degree that DOTD's decision to designate or build HOV lanes in the future would require additional infrastructure, technology and/or workforce to provide for enforcement activities. HOV lanes require enforcement monitoring for effective and safe operation. These activities can be accomplished through mechanical or automatic infrastructure such as lane dividers to guide traffic flow into and out of HOV lanes during peak periods, technology or manual enforcement. To the extent DOTD implements HOV lanes, the Legislative Fiscal Office assumes there would be an increased need for state or local governing authority personnel to provide enforcement and issue traffic citations. These activities would create additional indeterminable state (assumed to be SGF) or local funds expenditure obligations. Any such costs would depend on the location of designated HOV lanes as well as the agency with enforcement obligations in specific locales.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

<p><u>Senate</u></p> <p><input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}</p> <p><input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}</p>	<p><u>Dual Referral Rules</u></p>	<p><u>House</u></p> <p><input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}</p> <p><input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}</p>
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Evan Brasseaux

Evan Brasseaux
 Staff Director