



LEGISLATIVE FISCAL OFFICE
Fiscal Note

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

Date: May 30, 2019 10:10 AM Author: ERDEY
Dept./Agy.: DOTD Analyst: Alan M. Boxberger
Subject: Authorizes designation of high occupancy vehicle lanes

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

Proposed law authorizes the DOTD secretary or his designee to designate a high occupancy vehicle (HOV) lane on any highway in the state highway system where adequate shoulders exist and to restrict the use thereof to vehicular traffic classified as "HOV" to the extent he thinks it expedient and 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; 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 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; defines "high occupancy vehicle lane" to mean one or more lanes of a highway or an entire highway designated by traffic control devices 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; restricts redesignating existing roadway or travel lanes; provides for rulemaking; and authorizes motorcycles to use HOV lanes regardless of the number of riders. Proposed law is effective August 1, 2019.

Table with 7 columns: EXPENDITURES, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

Proposed law authorizes, but does not direct, DOTD to designate high occupancy vehicle (HOV) lanes on any highway in the state highway system where adequate shoulders exist 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 HOV 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 as well as 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. 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 for specific locales.

REVENUE EXPLANATION

Proposed law may result in an indeterminable increase in SGR revenues for DOTD. Proposed law provides that DOTD shall promulgate rules and regulations related to enforcement and penalties of the HOV lanes. Proposed law does not specify where penalty collections shall be deposited. For simplicity, this fiscal note assumes any such revenues would be collected as SGR, but deposits will be dependent upon the rules promulgated. It is possible that local governing authorities may accrue penalty revenues if those entities provide the law enforcement activities to the HOV lane. The amount of penalties that may be assessed are unknown and dependent on rule promulgation.

Senate Dual Referral Rules House
13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & 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}
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