

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 896** HLS 26RS 107

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|---|----------|--------------------------------|
| Date: April 28, 2026 | 10:34 AM | Author: BRAUD |
| Dept./Agy.: Department of Transportation and Development | | Analyst: Kimberly Fruge |
| Subject: Toll Requirements | | |

HIGHWAYS RE DECREASE SG RV See Note Page 1 of 2
Requires toll signage, toll dispute procedures, and toll customer service centers at all toll facilities within a certain radius

Proposed law requires the Department of Transportation and Development or a private entity working on the department's behalf to erect toll signage that indicates the presence of a toll and the real-time prices of the tolls; changes the administrative fee from \$25 to no more than \$6 (not to exceed the cost of collecting the toll) if a toll is not paid; sets a maximum administrative fee of \$48 in a 12-month period; requires the department or private entity to maintain a toll customer service center within a five mile radius of an operational toll facility and provides that the customer service center shall be paid for by the entity receiving toll revenue; provides for exemptions from having to pay a toll.

| EXPENDITURES | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 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 | INCREASE | INCREASE | INCREASE | INCREASE | INCREASE | |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Annual Total

| REVENUES | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 5 -YEAR TOTAL |
|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| State Gen. Fd. | DECREASE | DECREASE | DECREASE | DECREASE | DECREASE | |
| Agy. Self-Gen. | DECREASE | DECREASE | DECREASE | DECREASE | DECREASE | |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Annual Total

EXPENDITURE EXPLANATION

Proposed law will result in an increase of expenditures out of the Transportation Trust Fund (TTF) to provide signage to display real-time pricing of tolls. Also, proposed law may increase expenditures out of the TTF, to the extent the Department of Transportation is required to cover the cost of tolls for exempt residents who were not included in the public-private partnership contract.

The cost to erect signage around a tolling facility is estimated to be \$2,700 per sign. The department anticipates needing two signs in each direction for a total of \$10,800 per toll facility. In FY 27, the total costs for signage would be \$21,600 for the toll facility at LA 1 and Belle Chasse Bridge. In FY 30, the total costs for signage would be \$10,800 for the Calcasieu River Bridge.

Proposed law exempts certain individuals from the payment of tolls. If the department would be responsible for covering the cost of tolls for these exempt residents under the terms of the contract with the private partner, then costs will increase. The exact fiscal impact is indeterminable as it is unknown how many individuals would qualify for the exemptions and how many total crossings will be exempt. The impact may be significant.

DOTD notes that proposed law may have further fiscal implications, assumed here to be SGR, for the Belle Chasse Bridge and Calcasieu River Bridge contracts. To the extent private partners activate "discriminatory change in law" clauses, the department may be responsible for additional, potentially significant, costs related to these projects. Any such costs are speculative.

REVENUE EXPLANATION

Proposed law will result in an indeterminable, but likely significant, decrease in SGF (LA 1 tolls) and SGR (Belle Chasse and Calcasieu) due to a decrease in the allowable administration fee to cover the cost of collecting a toll that was not paid at a state-owned collection facility. Proposed law changes the administration fee that the Department of Transportation and Development is allowed to charge from \$25 to a maximum of \$6. The exact fiscal impact of proposed law is indeterminable, as it is unknown how many individuals will not pay the toll at the collection facility, therefore requiring DOTD or the private partner to recover the toll collection and charge the administrative fee. In addition, using a variable rate for the administrative fee changes the fee amount based on the vehicle class.

Revenue from the administrative fee has increased significantly year-over-year since FY 22, with collections of approximately \$600,582 in FY 24 and \$900,696 in FY 25. Under proposed law, these collections would decrease significantly. For illustrative purposes, DOTD estimates it collected \$277,675 in administrative fees during the first quarter of FY 26. If this trend continues, the estimated total collection for FY 26 will be \$1,110,700. Using the maximum allowable rate in proposed law, DOTD estimates the revenue collections of \$66,642 per quarter or \$266,568 annually. This would result in a decrease of \$844,132. To the extent that the average administrative fee is set to something different than \$6 or more or less vehicles fail to pay the tolls, the revenue loss would increase or decrease accordingly.

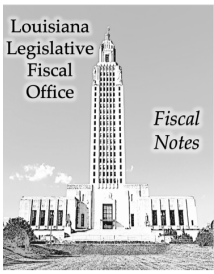
CONTINUED PAGE TWO

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}

Patrice Thomas
Deputy Fiscal Officer

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CONTINUED EXPLANATION from page one:

CONTINUED REVENUE EXPLANATION:

For LA 1, the state pays the debt service on the Transportation Infrastructure Finance and Innovation Act (TIFIA) bonds, and actual toll collections are deposited into the State General Fund as a partial reimbursement. According to the Department of Transportation and Development the toll collections, administrative fees, and late fees are all deposited into the Louisiana Transportation Authority (LTA) account and used to reimburse the state for bond payments. Any adjustment to the administrative fee will impact the amount that is reimbursed to the state, which will cause a corresponding decrease in available SGF revenue.

DOTD notes that proposed law may have further revenue implications for the Belle Chasse Bridge and Calcasieu River Bridge contracts. To the extent private partners activate "discriminatory change in law" clauses, the department may realize a further revenue decrease related to these projects. The current anticipated revenue for the Belle Chasse Bridge is approximately \$39 M, and the anticipated revenue for the Calcasieu River Bridge is approximately \$810 M.

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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