

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 134** SLS 19RS 36
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 23, 2019	7:17 PM	Author: BISHOP, W.
Dept./Agy.: DOTD		Analyst: Alan M. Boxberger
Subject: Redesignate I-10 as the "Who Dat Nation Highway"		

ROADS/HIGHWAYS OR +\$1,160 SD EX See Note Page 1 of 1

Redesignates Interstate 10 in Louisiana from the Mississippi State Line to the Texas State Line as the "Who Dat Nation Highway". (8/1/19)

Proposed law redesignates Interstate 10 in Louisiana from the Mississippi state line to the Texas state line as the "Who Dat Nation 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 \$1,100 per sign.

EXPENDITURES	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.	\$2,200	\$0	\$0	\$0	\$0	\$2,200
Ded./Other	\$1,160	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$1,160
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$3,360					\$3,360
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.	SEE BELOW	\$0	\$0	\$0	\$0	\$0
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		\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will create a direct and indirect increase in expenditures. DOTD will be required to install two signs at a cost of \$1,680 each, or \$3,360 total. Proposed law contemplates the cost of each sign at \$1,100. Fabrication requirements for signs on interstate highways exceed those of U.S. routes, which coincide with the contemplated \$1,100 figure. Therefore, DOTD will be required to provide supplemental funding of \$580 per sign (\$1,160 total). DOTD will make one-time expenditures of approximately \$1,160 from statutory dedications out of the Transportation Trust Fund - Regular and \$2,200 out of local and/or private monies - designated as SGR for the material, fabrication cost, mounting posts and installation required for the installation of two signs. The signs will redesignate Interstate 10 in Louisiana from the Mississippi state line to the Texas state line as the "Who Dat Nation 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 2018 Regular Session of the Legislature resulted in ten Acts requiring DOTD to fabricate and install 24 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 \$17,720 SGR in FY 19, 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 \$2,200 for the department's use for material, fabrication, mounting and installing two signs (approximately \$1,100 each).

NOTE: Proposed law's assumed installation cost is insufficient due to the nature of the signs (see expenditure explanation).

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

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