



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 730** HLS 16RS 731
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: March 24, 2016 3:41 PM	Author: HILL
Dept./Agy.: Transportation and Development	
Subject: Revises route designations for certain byways	Analyst: Alan M. Boxberger

HIGHWAYS

EG +\$217,198 SD EX See Note

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Revises route designations for certain byways

Proposed law provides that certain highways and sections of highways are designated as the “Myths and Legends Byway” and the “Zydeco Cajun Prairie Byway.” Proposed law repeals and revises the designation of certain highways as the “Myths and Legends Byway” and the “Zydeco Cajun Prairie Byway.” Proposed law provides that certain highways and sections of highways are designated as the “Zachary Taylor Parkway - Louisiana Military History Byway.” Proposed law directs DOTD to erect and maintain appropriate signage reflecting this designation.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$217,198	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$217,198
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>	<u>\$0</u>
Annual Total	\$217,198					\$217,198

REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	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>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will create a direct and indirect increase in expenditures. The signage enumerated in proposed law is associated with a 2008 grant awarded through the National Scenic Byways Program. The Department of Culture, Recreation and Tourism has previously provided its state match share in prior fiscal years associated with this project. DOTD will expend approximately \$217,198 from two Statutory Dedications, TTF-Federal and TTF-Regular (80% and 20% respectively), for the material, fabrication cost, mounting posts and installation required for the installation of 262 signs (approximately \$829 each) providing that: certain highways and sections of highways are designated as the “Myths and Legends Byway” and the “Zydeco Cajun Prairie Byway”; repealing and revising the designation of certain highways as the “Myths and Legends Byway” and the “Zydeco Cajun Prairie Byway”; and providing that certain highways and sections of highways are designated as the “Zachary Taylor Parkway - Louisiana Military History Byway.” DOTD installs and maintains signage as a normal operating expense associated with maintaining the state highways. The majority of these expenditures will be affected through the DOTD operating budget, but a small indeterminable portion related to road materials and payments to subcontractors may be expended through the DOTD capital budget.

The indirect increase in expenditures is attributable 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 DOTD’s inventory each year, the department’s efforts to maintain them increase 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 2015 Regular Session of the Legislature resulted in six Acts requiring DOTD to fabricate and install 30 signs. The initial cost incurred due to these legislative actions is estimated to be \$50,000 during FY 16, exclusive of long-term maintenance and replacement costs.

REVENUE EXPLANATION

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

Senate

☒ 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

Dual Referral Rules

☐ 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}

House

Evan Brasseaux
Staff Director