



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 687** HLS 16RS 942
Bill Text Version: **REENGROSSED**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: April 1, 2016	1:59 PM	Author: BARRAS
Dept./Agy.: Transportation and Development		
Subject: Designates a portion of La Hwy 86 in Iberia Parish		Analyst: Alan M. Boxberger

HIGHWAYS RE +\$6,720 SD EX See Note Page 1 of 1
Designates a portion of Louisiana Highway 86 in Iberia Parish as the "Albert "Al" Broussard Memorial Highway"

Proposed law designates a portion of La Highway 86 between its intersection with La Highway 344 and its intersection with La Highway 320 in Iberia Parish as the "Albert 'Al' Broussard Memorial Highway." Proposed law additionally designates La Highway 671 in Iberia Parish, commonly referred to as Canal Street, as the "Arthur Lee Verrett Memorial Highway." 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	\$6,720	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$6,720
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$6,720					\$6,720

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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will create a direct and indirect increase in expenditures. DOTD will expend approximately \$6,720 of TTF-Regular for the material, fabrication cost, mounting posts and installation required for the installation of four signs (approximately \$1,680 each), two signs designating a portion of La Highway 86 between its intersection with La Highway 344 and its intersection with La Highway 320 in Iberia Parish and two signs designating La Highway 671 in Iberia Parish (commonly referred to as Canal Street). DOTD installs and maintains signage as a normal operating expense associated with maintaining the state highways.

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 the department’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.