

State of Louisiana
Department of Revenue

JEFF LANDRY
GOVERNOR



RICHARD NELSON
SECRETARY

February 12, 2024

Via e-mail (return receipt requested) to:

The Honorable Julie Emerson
Chairman of the House Committee on Ways and Means
P.O. Box 94062
Baton Rouge, Louisiana 70804
apa.h-wm@legis.la.gov

The Honorable Franklin Foil
Chairman of the Senate Committee on Revenue & Fiscal Affairs
P.O. Box 94183
Baton Rouge, Louisiana 70804
apa.s-r&f@legis.la.gov

Re: Summary Report for Proposed Rule LAC 61:I.5501- *Electric and Hybrid Vehicle Road Usage Fee*

Chairman Emerson and Chairman Foil:

On September 8, 2023, a copy of the *Notice of Intent* issued by the Department of Revenue ("Department") for promulgation of the Rule LAC 61:I.5501, Electric and Hybrid Vehicles was sent to your committees for review. Adoption of the Rule arises from enactment of Act 578, 2022 Reg. Sess., R.S. 32:461, which imposes an annual fee on electric and hybrid vehicles, respectively \$110 and \$60, registered in the state and/or operating on the highways of the state. The *Notice of Intent* was published in the September issue of the *Louisiana Register*.

A public hearing was held in the LaSalle Building on October 25, 2023. No one attended this public hearing and no oral comments were received. Written comments were received from the Louisiana Automobile Dealers Association ("LADA") with regard to the collection of road usage fees on vehicles with 'dealer plates'. The LADA pointed out that the demonstrator vehicles utilized with 'dealer plates' are not registered and the dealer plates are frequently shifted between vehicles in dealer inventory. These comments and additional research

prompted the Department to remove the provision requiring payment of the road usage fee for vehicles utilizing dealer plates since those vehicles are not required to be registered.

The proposed Rule was revised to include eliminate Subparagraph (c) of Subsection B(1) relative to road usage fees to be paid by 'demonstrator vehicles.'

The revised proposed Rule was published in the December 2023 issue of the *Louisiana Register*. In accordance with R.S. 49:966(H)(2), a public hearing on the revised Rule was held in the LaSalle Building on January 30, 2024. No written or oral comments were received. Attendees included two representatives of a non-profit who attended for information purposes, and the attending Department attorney. As a result, no additional changes will be made to the text of the Rule before it is finalized.

This report is being made in accordance with R.S. 49:966(D)(1)(b) of the Administrative Procedure Act. Authority for promulgation of the Rule is found at R.S. 32:461(C)(3). Unless otherwise directed, the proposed Rule will be submitted for publication as a final rule in the March 2024 edition of the *Louisiana Register*. Should you have any questions or need additional information, please contact Johnette L. Martin via email at johnette.martin@la.gov or by phone at (225) 219-4920.

Sincerely,

A handwritten signature in blue ink, appearing to read 'LM', enclosed in a blue oval.

Luke Morris
Assistant Secretary for Legal Affairs

Cc: The Honorable Cameron Henry, President of the Senate, apa.senatepresident@legis.la.gov, The Honorable Phillip DeVillier, Speaker of the House, apa.housespeaker@legis.la.gov, Office of the State Register, Reg.Submission@la.gov