



PRODUCTION ALERT

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August 12, 2021

Caltrans Encroachment Permits Hourly Rate Adjustment

The Hourly rate for Caltrans encroachment review and inspection fees, currently \$82/hour, will be adjusted effective September 1, 2021. While the fee has remained unchanged since 2015, a cost analysis in 2020 indicated that the true cost is \$162/hour, and state law requires Caltrans to charge fees on a cost recovery basis.

To decrease the impact to customers, Caltrans will implement a phased approach to the increase over a three-year period. Please see the accompanying link and flyer for details.

[Caltrans Encroachment Permits Hourly Rate Adjustment](#)

Effective September 1, 2021, the Hourly Rate will be \$110/hour

Effective January 1, 2022, the Hourly Rate will be \$142/hour

Effective January 1, 2023, the Hourly rate will be \$162/hour

Starting January 1, 2024, the Hourly Rate will be adjusted annually to the rate determined based on the expenditures from the previous fiscal year.

Permit applications accepted for review prior to September 1, 2021, will be charged at the current \$82/hour rate.

Thanks for your understanding and support.



ENCROACHMENT PERMITS HOURLY RATE ADJUSTMENT



EFFECTIVE SEPTEMBER 1, 2021

WHAT IS THE ENCROACHMENT PERMIT HOURLY RATE?

The encroachment permit hourly rate is the amount charged per hour for services provided such as permit processing, review, inspection, and administration by Caltrans personnel. The hourly rate includes employee wages and overhead expenses.

WHY IS CALTRANS INCREASING THE ENCROACHMENT PERMIT HOURLY RATE?

The encroachment permit hourly rate was last updated in 2004 from \$80 per hour to \$82 per hour. The current rate of \$82 per hour does not comply with State requirements. State law (Streets and Highways Code, Section 671.1, and State Administrative Manual, Section 8752) requires Caltrans to establish a fee schedule that fully recovers Caltrans' costs associated with reviewing, issuing, and inspecting encroachment permit projects. Accordingly, Caltrans reviews and adjusts the hourly rate periodically.

WHAT IS THE CURRENT AND FUTURE HOURLY RATE?

PERMIT APPLICATION ACCEPTANCE DATE	HOURLY RATE TO BE CHARGED
BEFORE 09/01/2021	\$ 82
09/01/2021 - 12/31/2021	\$ 110
01/01/2022 - 12/31/2022	\$ 142
01/01/2023 - 12/31/2023	\$ 162

After January 2024, Caltrans will adjust the hourly rate annually at the beginning of each calendar year.

WHAT IS THE DIFFERENCE BETWEEN THE HOURLY RATE AND MY FEE?

Your fee is the hourly rate multiplied by the number of hours spent on your permit.

DID CALTRANS CONSIDER THE IMPACT ON CUSTOMERS?

Yes, Caltrans considered the potential impact of the cost increase mandated by law. To decrease the impact to customers, Caltrans will implement a phased approach over a 3-year period.

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WHO DO I CONTACT WITH QUESTIONS CONCERNING MY FEES?

Contact the District Encroachment Permits Office for all questions or additional information at <https://dot.ca.gov/programs/traffic-operations/ep/district-contacts>

WHAT CAN I DO TO REDUCE MY PERMIT FEE?

You are encouraged to submit a complete application package. The more complete that the initial application package is will result in fewer questions from reviewers, less time to complete the review, and a lower fee. This will also enable a quicker turnaround time for issuing the permit.

HOW CAN I DETERMINE THE APPLICABLE PERMIT HOURLY RATE FOR MY PERMIT PROJECT?

The applicable hourly rate will be determined based on the permit application acceptance date. The permit acceptance acknowledgment letter sent by the District Permits Office will provide you the applicable permit hourly rate or you may contact the District Permit Engineer for the permit application acceptance date as well as the applicable hourly rate.

DOES EVERYONE PAY AN ENCROACHMENT PERMIT FEE?

Caltrans is prohibited from charging a fee to public corporations (cities and counties), as stated in Streets and Highways Code Section 671.1. Others have to pay an encroachment permit fee.

ARE THERE ANY DISCOUNTS FOR SMALL BUSINESSES OR MINORITY-OWNED BUSINESSES?

The hourly rate is the same for all permit types and permittees.

DOES EVERYONE PAY THE SAME FEE AMOUNT?

Everyone is charged the same hourly rate. However, the total fee is based on the number of hours of review and inspection. Smaller, less complex projects will take less time to review and inspect, which results in a smaller total fee. Larger, more complex projects will have a higher total fee to cover the cost of review and inspection.

WHERE DO I PAY MY ENCROACHMENT PERMIT FEE?

The encroachment permit fee can be paid at the District Encroachment Permits Office counter, District Cashier's Office, or the Headquarters Cashiering Office. The permit number must be provided with any form of payment.

WHAT FORMS OF PAYMENT DOES CALTRANS ACCEPT?

1. District Encroachment Permits Counter accepts checks and cash.
 2. District Cashier's Office accepts checks, cash, and credit cards.
 3. Headquarters Cashiering Office accepts checks, cash, and credit cards (phone-in credit cards accepted as well).
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HOW DO I KNOW THAT I WAS CHARGED CORRECTLY?

You will be provided with a Fee Calculation Sheet (form TR-0406) or an invoice that will provide details on how the encroachment fee was calculated for the project.

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About the California Film Commission

The California Film Commission enhances California's status as the leader in motion picture, television, and commercial production.

A one-stop office for filmmakers, the Commission supports productions of all sizes and budgets. In addition to managing the Film & Television Tax Credit program, services include an extensive digital location library, free online permitting, low cost use of state properties as shooting locations, and production assistance.

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