

2015 Regular Session

SENATE BILL NO. 221

BY SENATOR ADLEY

FUNDS/FUNDING. Provides for the dedications and uses on the deposit of certain monies derived from certain general fund revenues attributable to an increase in the base amount of mineral revenues received by the state as certified by the Revenue Estimating Conference for various Transportation Trust Fund and other transportation uses. (See Act)

AN ACT

To amend and reenact R.S. 48:77(A) and (B) and 2074(A) and to repeal R.S. 48:77(C), 2077(24), and Chapter 32 of Title 48 of the Louisiana Revised Statutes of 1950, comprised of R.S. 48:2111 through 2119, relative to the dedication and use of certain funds for transportation purposes; to provide for the certification and the use of the increase in the base amount of certain mineral revenues received by the state; to provide for the deposit and use of such monies into the Transportation Trust Fund and for other transportation uses; to repeal provisions dedicating certain sales taxes in the event of a projected deficit in the official Revenue Estimating Conference forecast; to abolish the Transportation Mobility Fund, including the sources of funding, the use of the monies in the fund, and authority to approve projects for such purposes; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 48:77(A) and (B) and 2074(A) are hereby amended and reenacted to read as follows:

§77. Transportation Trust Fund; dedication and uses of certain monies for transportation purposes

1 A. Beginning ~~July 1, 2008~~ **Fiscal Year 2017-2018 and each year thereafter**,
2 from the avails of the taxes imposed by Chapters 2, 2-A, and 2-B of Subtitle II of
3 Title 47 of the Louisiana Revised Statutes of 1950 from the sale, use, lease or rental,
4 the distribution, the consumption, and the storage for use or consumption of motor
5 vehicles which are taxable pursuant to said Chapters 2, 2-A, and 2-B, and after
6 satisfying the requirements of Article VII, Section 9(B) of the Constitution of
7 Louisiana relative to the Bond Security and Redemption Fund, the treasurer shall
8 deposit ~~the following amounts as provided in Subsection B of this Section:~~ **an**
9 **amount equal to an increase in general fund revenues as certified by the**
10 **Revenue Estimating Conference as being attributable to the provisions of the**
11 **Act that originated as Senate Bill No. 122 of the 2015 Regular Session of the**
12 **Legislature, but not in excess of one hundred million dollars per fiscal year, to**
13 **the funds to be dedicated for use as provided by Subsection B of this Section.**

14 (1) ~~For Fiscal Year 2008-2009, ten percent of such avails.~~

15 (2) ~~For Fiscal Year 2009-2010, twenty percent of such avails.~~

16 (3) ~~For Fiscal Year 2010-2011, thirty percent of such avails.~~

17 (4) ~~For Fiscal Year 2011-2012, fifty percent of such avails.~~

18 (5) ~~For Fiscal Year 2012-2013, seventy-five percent of such avails.~~

19 (6) ~~For Fiscal Year 2013-2014, eighty-five percent of such avails.~~

20 (7) ~~For Fiscal Year 2014-2015 and thereafter, all of the collections.~~

21 B. The avails of the taxes **monies** dedicated pursuant to Subsection A of this
22 Section shall be deposited ~~for the purposes~~ **to the funds** specified **for the following**
23 **purposes:**

24 (1) ~~Ninety-three percent to~~ **The first seventy million dollars of the total**
25 **monies shall be deposited into the Transportation Trust Fund to be used**
26 **exclusively for state highway pavement and bridge sustainability projects in**
27 **accordance with the Department of Transportation and Development**
28 **definitions of such projects.**

29 (2) **After compliance with the provisions of Paragraph (B)(1) of this**

1 **Subsection, ninety-three percent of the remaining monies shall be deposited into**

2 the Transportation Trust Fund to be appropriated and expended as follows:

3 (a) Not less than thirty percent ~~of the total avails deposited in the~~
4 ~~Transportation Trust Fund pursuant to Subsection A of this Section~~ shall be
5 dedicated to **highway priority program projects classified as** capacity projects **in**
6 **accordance with the Department of Transportation and Development**
7 **definitions of such projects.**

8 (b) ~~Seven~~ **Twenty-five** percent ~~of the total avails deposited in the~~
9 ~~Transportation Trust Fund pursuant to Subsection A of this Section~~ shall be used
10 exclusively for port **construction and development** priority **program** projects as
11 provided in Chapter 47 of Title 34 (R.S. 34:3451 through 3463).

12 (c) The remainder of the ~~total avails~~ **monies** ~~deposited in the Transportation~~
13 ~~Trust Fund pursuant to Subsection A of this Section~~ **after compliance with**
14 **Subparagraphs (B)(2)(a) and (b) of this Paragraph** shall be used exclusively for
15 **highway** priority projects. **Such projects shall be specifically for state highway**
16 **pavement and bridge sustainability in accordance with the Department of**
17 **Transportation and Development definitions of such projects.**

18 ~~(2)(3)(a)~~ ~~Seven~~ percent **After compliance with the provisions of**
19 **Paragraph (B)(1) of this Subsection, seven percent of the remaining monies shall**
20 **be deposited** to the ~~Transportation Mobility Fund~~ **infrastructure bank as provided**
21 **in the Act which originated as House Bill No. 767 of the 2015 Regular Session**
22 **of the Legislature.** ~~Unless otherwise approved by the Louisiana Transportation~~
23 ~~Authority, the~~ ~~The~~ ~~avails~~ **monies** ~~deposited in the Transportation Mobility Fund~~
24 ~~pursuant to Subsection A of this Section~~ **infrastructure bank pursuant to this**
25 **Subsection** shall be used exclusively for final design and construction and shall not
26 be used for studies.

27 **(b) If the Act which originated as House Bill No. 767 of the 2015 Regular**
28 **Session of the Legislature fails to pass and is not enacted into law, the monies**
29 **allocated to this Paragraph shall be deposited into the Transportation Trust**

Fund and used exclusively for port construction and development priority program projects as provided in Subparagraph (B)(2)(b) of this Section.

* * *

§2074. Louisiana Transportation Authority; creation; board of directors; meetings; quorum

A. The Louisiana Transportation Authority, hereafter referred to as the "authority", is hereby created possessing full corporate powers to promote, plan, finance, develop, construct, control, regulate, operate, and maintain any tollway or transitway to be constructed within its jurisdiction. ~~Additionally, the authority shall administer and disburse the funds deposited into the Transportation Mobility Fund in accordance with the provisions of R.S. 48:2112 et seq.~~

* * *

Section 2. R.S. 48:77(C) and 2077(24) and Chapter 32 of Title 48 of the Louisiana Revised Statutes of 1950, comprised of R.S. 48:2111 through 2119, are hereby repealed.

Section 3. It is hereby declared by the Legislature of Louisiana that it is the legislative intent that a portion of the costs of implementation of the provisions of Section 1 of this Act shall be deemed to be offset by any monies derived from the increase in the base amount of mineral revenues received by the state prior to any deposit into the Budget Stabilization Fund, as provided in the Act which originated as Senate Bill No. 122 of the 2015 Regular Session of the Legislature.

Section 4. This Act shall take effect and become operative if and when the Act which originated as Senate Bill No. 122 of this 2015 Regular Session of the Legislature is enacted into law and becomes effective.

The original instrument was prepared by Jay Lueckel. The following digest, which does not constitute a part of the legislative instrument, was prepared by J. W. Wiley.

DIGEST

SB 221 Reengrossed 2015 Regular Session Adley

Present law provides for the dedication and deposit of the avails of certain sales and use tax monies into the Transportation Trust Fund (TTF) beginning July 1, 2008. Provides for the uses of such monies for certain highway, port priority projects, and Transportation Mobility Fund projects as approved by the La. Transportation Authority.

Present law specifically provides for a phase-in of the avails, from the sale, use, lease, rental of motor vehicles which are taxable under the sales tax code, to be deposited into the Transportation Trust Fund as follows: beginning July 1, 2008, for Fiscal Year 2009, ten percent; for Fiscal Year 2010, twenty percent; for Fiscal Year 2011, thirty percent; for Fiscal Year 2012, fifty percent; for Fiscal Year 2013, seventy-five percent; for Fiscal Year 2014, eighty-five percent; for Fiscal Year 2015 and thereafter, all of the collections.

Proposed law provides that beginning in Fiscal Year 2017-2018 and each fiscal year thereafter, from the avails of certain sales and use taxes and inventory tax, the treasurer must deposit an amount equal to the increase in general fund revenues are certified by the Revenue Estimating Conference as being attributable to the provisions of the Act that originated as SB 122 of the 2015 R.S., but this amount cannot exceed \$100 million.

Present law provides for allocating the proceeds as follows: ninety-three percent to the Transportation Trust Fund and seven percent to the Transportation Mobility Fund. Monies in the TTF are to be distributed for the following - not less than thirty percent for capacity projects; seven percent for port priority projects; and the remainder of the monies shall be used exclusively for priority projects. Monies in the Transportation Mobility Fund shall be used for final design and construction and shall not be used for studies.

Proposed law provides that the first seventy million dollars of the monies shall be deposited into the TTF to be used exclusively for state highway pavement and bridge sustainability projects. Thereafter, ninety-three percent of the monies shall be deposited into the TTF to be allocated as follows: not less than thirty percent for highway priority program projects classified as capacity projects; twenty-five percent for port construction and development priority program projects; and the remaining monies for state highway pavement and bridge sustainability projects.

Proposed law provides that the remaining seven percent shall be deposited to the infrastructure bank as provided in the Act which originated as HB 767 for final design and construction and shall not be used for studies.

Proposed law provides that if the Act which originated as HB 767 fails to pass and is not enacted into law, the monies allocated to this Paragraph shall be deposited into the Transportation Trust Fund and used exclusively for port construction and development priority program projects as provided in proposed law.

Present law provides that if a deficit for the current fiscal year is projected due to a decrease in the official forecast, the treasurer is directed to reduce the deposits required by these provisions until such time as the official forecast equals or exceeds the forecast in effect prior to the projected deficit, at which time the reduction shall cease.

Proposed law repeals the deficit reduction provisions.

Proposed law also repeals statutory provisions relative to the Transportation Mobility Fund.

Proposed law provides that it is declared by the Legislature that it is the legislative intent that a portion of the costs of implementation of the provisions of Section 1 of the Act shall be deemed to be offset by any monies derived from the increase in the base amount of mineral revenues received by the state prior to any deposit into the Budget Stabilization Fund, as provided in the Act which originated as Senate Bill No. 122 of the 2015 Regular Session of the Legislature.

Effective and becomes operative if and when the Act which originated as Senate Bill No. 122 of this 2015 Regular Session of the Legislature is enacted into law and becomes effective.

(Amends R.S. 48:77(A) and (B) and 2074(A); repeals R.S. 48:77(C), 2077(24), and 2111

through 2119)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance on the original bill

1. Substitutes state general fund revenues certified by the Revenue Estimating Conference as being attributable to an increase in the base amount of mineral revenues received by the state as provided by the provisions of the Act that originated as Senate Bill No. 122 of this 2015 Regular Session of the Legislature for vehicle sales and use taxes.
2. Limits the amount to the first one hundred million dollars of the funds recognized by the Revenue Estimating Conference Committee to be used for the purposes of the bill.
3. Provides for a statement of legislative intent that such funds shall be deemed to be offset by any monies derived from the increase in the base amount of mineral revenues received by the state prior to any deposit into the Budget Stabilization Fund.
4. Makes effective and operative if and when the Act which originated as Senate Bill No. 122 of this 2015 Regular Session of the Legislature is enacted into law and becomes effective.

Senate Floor Amendments to engrossed bill

1. Adds that beginning in Fiscal Year 2017-2018 and each fiscal year thereafter, from the avails of certain sales and use taxes and inventory tax, the treasurer must deposit amount equal to the increase in general fund revenues as certified by the Revenue Estimating Conference as being attributable to the provisions of the Act that originated as SB 122 of this 2015 R.S., but this amount may not exceed \$100 million.
2. Increases the amount, from seven to twenty-five to be used for port construction an development priority program projects.
3. Change provision relative to HB 618 of the 2015 R.S. to HB 767 of the 2015 R.S.
4. Provides a procedure for allocation of monies if the Act which originated as HB 767 fails to pass and is not enacted into law.
5. Makes technical corrections.