

2017 Regular Session

HOUSE BILL NO. 294

BY REPRESENTATIVE BACALA

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING: Dedicates a portion of the state sales and use taxes on sales of motor vehicles for transportation projects

1 AN ACT

2 To amend and reenact R.S. 47:481 and R.S. 48:77, relative to the dedication of revenues to
3 transportation related matters; to provide for the creation of the Highway Capacity
4 Fund as a special treasury fund; to provide for deposits into the fund; to provide for
5 the uses of the fund; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:481 is hereby amended and reenacted to read as follows:

8 §481. Disposition of collections

9 Except as provided in R.S. 47:480, all fees and taxes provided for in this
10 Chapter, including the permit fees, shall be paid to the state treasurer on or before the
11 tenth day of each month following their collection and shall be credited to the
12 account of the Transportation Trust Fund, the State Highway Improvement Fund,
13 state highway fund No. 2, ~~and~~ the New Orleans Ferry Fund, and the Highway
14 Capacity Fund, as provided by law.

15 Section 2. R.S. 48:77 is hereby amended and reenacted to read as follows:

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

18 A. Beginning Fiscal Year 2017-2018 and each year thereafter, from the
19 avails of the taxes imposed by Chapters 2, 2-A, and 2-B of Subtitle II of Title 47 of
20 the Louisiana Revised Statutes of 1950 from the sale, use, lease or rental, the

1 distribution, the consumption, and the storage for use or consumption of motor
2 vehicles which are taxable pursuant to said Chapters 2, 2-A, and 2-B, and after
3 satisfying the requirements of Article VII, Section 9(B) of the Constitution of
4 Louisiana relative to the Bond Security and Redemption Fund, the treasurer shall
5 deposit the following percentages into the Highway Capacity Fund for use as
6 provided in Subsection B of this Section:

7 (1) For Fiscal Year 2017-2018, ten percent of such avails.

8 (2) For Fiscal Year 2018-2019, twenty percent of such avails.

9 (3) For Fiscal Year 2019-2020, thirty percent of such avails.

10 (4) For Fiscal Year 2020-2021, forty percent of such avails.

11 (5) For Fiscal Year 2021-2022, fifty percent of such avails.

12 (6) For Fiscal Year 2022-2023, sixty percent of such avails.

13 (7) For Fiscal Year 2023-2024, seventy percent of such avails.

14 (8) For Fiscal Year 2024-2025, eighty percent of such avails.

15 (9) For Fiscal Year 2025-2026, ninety percent of such avails.

16 (10) For Fiscal Year 2026-2027, all of such avails.

17 B.(1) There is hereby created, as a special fund in the state treasury, the
18 Highway Capacity Fund. The monies in the Highway Capacity Fund shall be subject
19 to annual appropriation by the legislature. All unexpended and unencumbered monies
20 remaining in the fund at the end of any fiscal year shall remain in the fund. The
21 monies in the fund shall be invested by the treasurer in the same manner and all
22 interest earned shall remain to the credit of the fund.

23 (2) Monies in the Transportation Capacity Fund shall be used exclusively for
24 final design and construction for capacity projects and shall not be used for operating
25 costs of the Department of Transportation and Development.

26 (3) The selection of projects shall be based on a cost-benefit analysis with
27 projects with the greatest number of annual vehicle travel hours saved per million
28 dollars spent being selected first, with the following restrictions:

1 (a) For Fiscal Years 2017-2018 through 2022-2023, no monies shall be
2 expended for projects with a cost of one hundred million dollars or more.

3 (b) For Fiscal Year 2023-2024 and each fiscal year thereafter, no more than
4 fifty percent of the annual appropriation shall be expended for projects with a cost
5 of one hundred million dollars or more.

6 C. Beginning Fiscal Year 2017-2018 and each year thereafter, and after
7 satisfying the requirements of Article VII, Section 9(B) of the Constitution of
8 Louisiana relative to the Bond Security and Redemption Fund, the treasurer shall
9 deposit an amount equal to an increase in general fund revenues as certified by the
10 Revenue Estimating Conference as being attributable to the provisions of Acts 2015,
11 No. 257, but not in excess of one hundred million dollars per fiscal year, to the funds
12 to be dedicated for use as provided by Subsection ~~B~~ D of this Section.

13 ~~B~~D. The monies dedicated pursuant to Subsection ~~A~~ C of this Section shall
14 be deposited to the funds specified for the following purposes:

15 (1) The first seventy million dollars of the total monies shall be deposited
16 into the Transportation Trust Fund to be used exclusively for state highway
17 pavement and bridge sustainability projects in accordance with the Department of
18 Transportation and Development definitions of such projects.

19 (2) After compliance with the provisions of Paragraph (1) of this Subsection,
20 ninety-three percent of the remaining monies shall be deposited into the
21 Transportation Trust Fund to be appropriated and expended as follows:

22 (a) Not less than thirty percent shall be dedicated to highway priority
23 program projects classified as capacity projects in accordance with the Department
24 of Transportation and Development definitions of such projects.

25 (b) Twenty-five percent shall be used exclusively for port construction and
26 development priority program projects as provided in Chapter 47 of Title 34 (R.S.
27 34:3451 through 3463).

28 (c) The remainder of the monies after compliance with Subparagraphs (2)(a)
29 and (b) of this Paragraph shall be used exclusively for highway priority projects.

1 Such projects shall be specifically for state highway pavement and bridge
2 sustainability in accordance with the Department of Transportation and Development
3 definitions of such projects.

4 (3)(a) After compliance with the provisions of Paragraph (1) of this
5 Subsection, seven percent of the remaining monies shall be deposited into the
6 Louisiana State Transportation Infrastructure Fund established in R.S. 48:86 as
7 provided in Acts 2015, No. 431. The monies deposited in the Louisiana State
8 Transportation Infrastructure Fund pursuant to this Subsection shall be used
9 exclusively for final design and construction and shall not be used for studies.

10 (b) If the Act [Acts 2015, No. 431] which originated as House Bill No. 767
11 of the 2015 Regular Session of the Legislature fails to pass and is not enacted into
12 law, the monies allocated to this Paragraph shall be deposited into the Transportation
13 Trust Fund and used exclusively for port construction and development priority
14 program projects as provided in Subparagraph (2)(b) of this Subsection.

15 (4) None of the monies deposited into the Transportation Trust Fund
16 pursuant to this ~~Subsection~~ Section shall be appropriated to the office of state police.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 294 Original

2017 Regular Session

Bacala

Abstract: Dedicates, in increments beginning in FY 2017-2018, sales tax on motor vehicles into the Highway Capacity Fund for highway projects intended to reduce vehicle travel hours.

Present law provides for the deposit of the amount of certain mineral revenues received by the state into the Transportation Trust Fund. Present law provides that the money shall come from the avails of the state sales and use tax on motor vehicles.

Proposed law retains the dedication of mineral revenues in present law but deletes reference to the avails of the state sales and use tax on motor vehicles.

Proposed law creates the Highway Capacity Fund as a special treasury fund and dedicates a portion of the avails of the state sales and use tax on motor vehicles to the Highway Capacity Fund as follows:

<u>Percent</u>	<u>Fiscal Year</u>
10%	2017-2018
20%	2018-2019
30%	2019-2020
40%	2020-2021
50%	2021-2022
60%	2022-2023
70%	2023-2024
80%	2024-2025
90%	2025-2026
100%	2026-2027

Proposed law requires the monies in the Highway Capacity Fund to be used for design and construction projects with the greatest number of annual vehicle travel hours saved per million dollars spent. Prohibits funding of projects with a cost of \$100 million or more through FY 2022-2023. Thereafter, prohibits more than 50% of the annual appropriation from being spent on projects with a cost of \$100 million or more.

(Amends R.S. 47:481 and R.S. 48:77)