

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 444** SLS 18RS 95  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.: **w/ PROP SEN COMM AMD**  
 Sub. Bill For.:

<b>Date:</b> April 2, 2018 7:56 AM	<b>Author:</b> WHITE, BODI
<b>Dept./Agy.:</b> Statewide and DOTD	<b>Analyst:</b> Alan M. Boxberger
<b>Subject:</b> Provides for dedication of motor vehicle sales tax to the TTF	

TAX/SALES OR -\$53,333,333 GF RV See Note Page 1 of 1  
 Provides for the dedication of sales tax on motor vehicles to the Transportation Trust Fund. (8/1/18)

Proposed law directs the state treasurer to deposit the first \$53,333,333 generated by the state sales tax on the sale, use, lease or rental of motor vehicles during FY 19 into the Construction Subfund of the Transportation Trust Fund to be used solely for the direct costs associated with actual project delivery, construction and maintenance of transportation and capital transit infrastructure projects of the state and local government. Proposed law shall take effect and become operative if and when the Act originating as SB 353 of the 2018 Regular Session of the Legislature is enacted and becomes effective. SB 353, in original form, allocates the FY19 economic damages payment (\$53.3M) from the Deepwater Horizon Economic Damages Collection Fund to the state general fund.

EXPENDITURES	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

REVENUES	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	(\$53,333,333)	\$0	\$0	\$0	\$0	<b>(\$53,333,333)</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$53,333,333	\$0	\$0	\$0	\$0	<b>\$53,333,333</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

**REVENUE EXPLANATION**

Proposed law would divert deposits of the first \$53.3 M generated from the state sales taxes on the sale, use, lease or rental of motor vehicles from the SGF into the Construction Subfund of the Transportation Trust Fund in FY 19 only, contingent upon enactment of SB 353 of the 2018 Regular Session of the Legislature. SB 353 of the 2018 Regular Session seeks to shift payments totaling \$53.3 M related to the Deepwater Horizon litigation to be deposited into the SGF, making them available for general appropriation needs, rather than existing deposits into Statutory Dedications (45% to Budget Stabilization Fund, 45% to Medicaid Trust Fund for the Elderly and 10% to the Health Trust Fund) as in present law.

Proposed law restricts expenditure of monies deposited into the Construction Subfund from this source in FY 19 to the direct costs associated with actual project delivery, construction and maintenance of transportation and capital transit infrastructure projects of the state and local government.

For informational purposes, the state sales tax on the sale, use, lease or rental of motor vehicles for FY 19 is currently projected by the REC to be \$427.2 M.

This bill (SB 444) contemplates replacing the general fund shifted to the Construction Subfund in this bill with the resources to be received by the Deepwater fund, in FY 19 only (SB 353). Under that scenario, there is no general fund effect from this bill. However, while this bill (SB 444) requires enactment of SB 353, the original form of SB 353 allocates the economic damages resources to the state general fund. Should SB 353 be enacted without this dollar amount of transfer, the general fund would be exposed to the deficiency. That maximum exposure scenario is depicted in the table above.

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  


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