

## RÉSUMÉ DIGEST

ACT 222 (HB 394)

2019 Regular Session

Carmody

Existing law provides for the Freight Railroad Intermodal Grant Program.

New law modifies existing law to rename the Freight Railroad Intermodal Grant Program to the Class II and III Rail Infrastructure Improvement Program.

Existing law provides that the program is made available for intermodal needs of state freight rail services.

New law modifies existing law to make the program available for Class II and III rail improvement needs, to maintain efficient rail service on the rail network, and to implement recommendations in the La. Freight Mobility Plan and State Rail Plan.

New law provides that eligible projects include but are not limited to the following: (1) track, equipment, signaling, and right-of-way acquisition and preservation; (2) rail line relocation and improvement; (3) multimodal connector enhancements and supporting facilities; (4) highway-rail grade crossing and associated equipment improvements; and (5) planning, engineering, and design for selected projects.

Existing law provides that funding is subject to, but not limited to, the following: (1) the availability of funds; (2) a comparative needs analysis of requested projects as determined by the department; (3) demonstrable public benefits to be achieved by the project; and (4) a 50% match provided from other sources by the successful candidate for a project.

New law modifies existing law by requiring the match to be a minimum of 50% from sources other than the Transportation Trust Fund (TTF).

Prior law provided that the grant program must be implemented no later than Jan. 1, 1998, and continue for a period of 10 years after the date of implementation.

New law repeals prior law.

Prior law provided that no TTF monies may be used for this program.

New law repeals prior law and provides that TTF monies may be used for the administrative expenses to promulgate rules and regulations to implement the program.

New law restricts TTF monies, including the money deposited into the Construction Subfund, from being appropriated for a project approved in this program, provided that other state and federal revenue may be utilized and appropriated for approved project.

New law authorizes the department to compete for, receive, accept, administer, and manage federal and other funds in furtherance of new law.

Existing law requires the department to promulgate rules and regulations to implement the provisions of existing law which shall include but not be limited to the following: (1) project submission; (2) project evaluation, including but not limited to financial feasibility, benefit/cost analysis, and economic impact; (3) program administration; (4) prioritization of projects; and (5) distribution of funding.

New law modifies existing law by removing financial feasibility, benefit/cost analysis, economic impact, and prioritization of projects.

New law requires the department to submit a priority list of projects requesting state funds for the ensuing fiscal year to the Joint Committee on Transportation, Highways and Public Works prior to the convening of each regular session of the legislature beginning with the 2020 Regular Session.

New law further requires the joint committee to hold a public hearing to review the priority list of project.

New law requires the department to prepare the final program for the coming fiscal year for submission to the joint committee subsequent to the hearing and prior to the convening of the regular session.

New law prevents the legislature from adding projects to the final construction program, except as provided in new law, after the final program, as approved by the joint committee, is presented to the legislature for funding for the coming fiscal year.

New law authorizes the legislature to give priority to funding the remaining amount necessary for a project of a governing authority of a parish, any local unit of government, or a railroad if either is able to obtain 90% or more funding for a railroad project from federal sources or sources other than state funds, even if the project is not on the priority list of projects.

New law requires that no public hearing be held and that the department refrain from submitting a final construction program and notify the joint committee if the department has no projects for the Class II and III Rail Infrastructure Improvement Program.

New law, except as provided in new law, requires the department, beginning with the 2020 fiscal year, to submit to the joint committee a final Class II or III Rail Infrastructure Improvement Program to be commenced in the ensuing fiscal year. New law further requires that the final Class II or III Rail Infrastructure Improvement Program be based upon anticipated revenues appropriated by the legislature, and listed in the order of priority or project.

New law requires the department to provide to the joint committee annually a supplemental list of project proposed to be commenced within the ensuing four years which are in various stages of planning and preparation. New law further requires that the supplemental list be subject to change by the department until the department finally approves each project for construction.

Effective Aug. 1, 2019.

(Amends R.S. 48:388.1 (Section heading), (A)(1), (2), and (3)(d), (B), and (D); Adds R.S. 48:388.1(E); Repeals 48:388.1(C))