DIGEST

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HB 632 Original	2017 Regular Session	Steve Carter
IID 052 Oliginal		

Abstract: Creates an additional tax on gasoline, diesel fuels, and special fuels and requires the current and additional tax to be adjusted annually in accordance with the Consumer Price Index.

Proposed law provides for an additional 17 cent tax on gasoline, diesel fuel, and special fuels.

<u>Proposed law</u> requires the Dept. of Transportation and Development to use at least 50% of the proceeds from the taxes levied in <u>proposed law</u>, over the first 20 years, to begin construction of Priority A and B mega-projects and gives priority for completion to those projects funded by at least a 10% non-federal or non-state match.

<u>Proposed law</u> prohibits the Dept. of Transportation and Development from using the avails of the tax levied in <u>proposed law</u> for administrative or operational costs, including the payment of employee wages and related benefits or employee retirement benefits.

<u>Proposed law</u> requires the Dept. of Transportation and Development annually provide the legislature and public a list of projects to be constructed within the Highway Priority Program in the ensuing fiscal year in an order of priority that is determined after projects are analyzed and prioritized in accordance with <u>present law</u> and requires the department prepare a report that outlines the progress of projects funded by the avails generated by <u>proposed law</u>.

<u>Proposed law</u> provides for termination dates of the tax levied in <u>proposed law</u> if the auditor certifies that the Dept. of Transportation and Development is not in substantial compliance with the requirements of <u>present law</u> in any three consecutive annual audits.

<u>Proposed law</u> requires the taxes levied in <u>present law</u> and the additional taxes levied in <u>proposed law</u> to be adjusted annually in accordance with the Consumer Price Index.

<u>Proposed law</u> prohibits the total increase authorized as a result of the index from being more than 13 cents and prohibits the taxes levied pursuant to <u>proposed law</u> from being less than the total amount of taxes levied in <u>present law</u> and <u>proposed law</u>.

<u>Proposed law</u> prohibits the department from using the avails collected as a result of the index for funding of administrative or operational costs of the department, including the payment of employee wages and related benefits or employee retirement benefits.

<u>Proposed law</u> requires the additional avails collected as a result of the index of the tax levied in <u>present law</u> be used in accordance with the provisions of <u>present law</u>.

The increase in the tax on gasoline, diesel fuel, and special fuels shall become effective beginning July 1, 2017.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:818.12.1 and 818.12.2)