

2018 Regular Session

HOUSE BILL NO. 618

BY REPRESENTATIVE ABRAMSON

TRANSPORTATION: Provides for changes to the highway priority program

1 AN ACT

2 To amend and reenact R.S. 48:229.1(B) and (C) and to enact R.S. 48:229.1(A)(9), (10), and
3 (11), and 229.2, relative to the construction and funding of highways; to provide with
4 respect to the Highway Priority Program; to require that certain information be
5 included in the Highway Priority Program; to provide for the priority process; to
6 require certain annual audits of funding; to require annual reports; to provide for
7 certain requirements and limitations; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 48:229.1(B) and (C) are hereby amended and reenacted and R.S.
10 48:229.1(A)(9), (10), and (11), and 229.2 are hereby enacted to read as follows:

11 §229.1. Statewide prioritization process for the Highway Priority Program

12 A. The legislature declares it to be in the public interest that a prioritization
13 process for construction be utilized to develop a Highway Priority Program that
14 accomplishes the following:

15 * * *

16 (9) Utilizes taxes levied on gasoline, motor fuels, and special fuels which are
17 deposited into the Transportation Trust Fund and dedicated solely and exclusively
18 for the costs associated with construction and maintenance of state and federal roads
19 and bridges and used by the Department of Transportation and Development in the

1 most cost-effective manner to ensure that the state is getting a positive return on the
2 investment of state and federal funds in transportation projects.

3 (10) Maximizes state and federal transportation funding on costs related to
4 the actual construction and maintenance of highway and bridge projects and
5 minimizes the use of these funds on administrative costs of the Department of
6 Transportation and Development.

7 (11) In cases where Priority A and Priority B mega-projects designated in
8 the Department of Transportation and Development's Statewide Transportation Plan
9 would be prioritized equally based on the criteria set forth in Paragraphs (1) through
10 (10) of this Subsection, the department shall give consideration when prioritizing
11 these projects to mega-projects for which funding has been made available by
12 sources other than the state or federal government.

13 B.(1) Beginning with the Highway Priority Program for Fiscal Year 2017-
14 2018 2019-2020 and for each Highway Priority Program thereafter, the department
15 shall provide the legislature and public with this program which shall list projects to
16 be constructed in the ensuing fiscal year in an order of priority that is determined
17 after projects selected pursuant to Subsection C of this Section are analyzed and
18 prioritized based upon the factors set forth in Subsection A of this Section.

19 (2) In addition to the requirements of Paragraph (1) of this Subsection, the
20 department shall establish a multi-year time line on the projects to be funded through
21 the Highway Priority Program each year including an indication of the source of
22 monies from which project costs will be funded.

23 C.(1) The projects to be included in the Highway Priority Program shall be
24 selected utilizing a process based on an objective analysis that considers, at
25 minimum, the following factors relative to the cost of the project and anticipated
26 revenues to be appropriated by the legislature:

27 ~~(+)~~ (a) The condition of the roads, streets, and structures making up the state
28 highway system and the relative urgency of the improvements considering ~~in~~ their
29 order of general needs. For purposes of this Paragraph, "condition" shall include but

1 not be limited to the state of repair of the existing roadway and shoulder surfaces,
2 structures and drainage, and other factors of the roadway, such as signs, signals,
3 markings, and barriers.

4 ~~(2)~~ (b) The type and volume of traffic on a particular segment of roadway,
5 highway, or bridge.

6 ~~(3)~~ (c) The crash records for a particular segment of roadway, highway, or
7 bridge.

8 ~~(4)~~ (d) The technical difficulties in the preparation of plans and the
9 procurement of rights-of-way for a particular segment of roadway, highway, or
10 bridge.

11 ~~(5)~~ (e) Whether unforeseeable emergencies such as floods have created an
12 immediate need for improvement or reconstruction.

13 ~~(6)~~ (f) Whether capacity improvements are warranted due to population or
14 traffic volume increases in specific geographic areas.

15 ~~(7)~~ (g) Whether ~~or not~~ the highway or bridge is or will be on an evacuation
16 route utilized to evacuate large populations due to catastrophic events such as
17 hurricanes or flooding.

18 ~~(8)~~ (h) Whether the improvement to or addition of a highway or bridge will
19 benefit the economic development potential of the state.

20 (i) Whether the highway or bridge project will support the needs of the local
21 and regional authorities with responsibility for transportation planning to ensure that
22 there is an equitable distribution among and between the different regions of the state
23 over a three-year period.

24 (2) The Department of Transportation and Development shall submit
25 performance progress reports including the performance objectives, indicators, and
26 standards used by the department to determine the efficiency and effectiveness of the
27 priority of projects in the Highway Priority Program. Such reports shall be submitted
28 and maintained through the electronic performance database maintained and used by

1 the division of administration to track state agency performance standards as well as
2 included on the department's webpage.

3 (3) Beginning with the Highway Priority Program for Fiscal Year 2019-2020
4 and for each Highway Priority Program thereafter, the department shall apply the
5 prioritization factors provided for in this Subsection and begin to prioritize all
6 projects in the Highway Priority Program which are at the stage of project delivery
7 where sources of funding are being identified.

8 (4) Beginning with the Highway Priority Program for Fiscal Year 2019-2020
9 and for each Highway Priority Program thereafter, the department shall prioritize all
10 projects included in the Highway Priority Program into two separate lists as follows:

11 (a)(i) The first list shall include a three-year plan for all projects in the
12 program where funding is programmed based on the anticipated and projected
13 revenues available for design or scheduled to be bid for construction in that fiscal
14 year. Each year, as projects are completed from this list, they shall be deleted and
15 replaced with projects from the list required in Subparagraph (b) of this Paragraph
16 beginning with the highest level of priority. The department shall devise a detailed
17 schedule of project delivery for all projects on this list which shall include at a
18 minimum, the stage of project delivery, the scheduled letting date, estimated
19 completion date, associated costs, and funding sources for each phase.

20 (ii) Each year, the department shall publish the list required in Subparagraph
21 (a) of this Paragraph with notations regarding whether the scheduled letting date for
22 each project is on-schedule, ahead of schedule, or delayed. For those projects which
23 are delayed, the department shall include a detailed, written explanation of the delay.

24 (b) The second list shall include a three-year plan for all projects in the
25 program that can be funded if additional revenues become available. Each year, as
26 projects move from this list to the list required in Subparagraph (a) of this Paragraph,
27 new projects shall be added to this list from prioritized projects in the Highway
28 Priority Program starting with the highest level of priority.

1 (a) Administration and support services which include staff costs associated
2 with executive level oversight and administrative supervision of the various business
3 support functions of the Department of Transportation and Development.

4 (b) Transportation funding used for other multimodal programs such as
5 ports, aviation, freight, transit, and public works.

6 (c) Operations and maintenance expenses which include non-administrative
7 costs for activities such as repair and maintenance of pothole patching, mowing,
8 ditch cleaning, striping, signal repair and installation, and bridge repair and
9 maintenance.

10 (d) Program and project delivery including actual construction and
11 construction engineering costs for projects.

12 (2) The methodology and outcomes of the Department of Transportation and
13 Development's prioritization of projects in the applicable programs for prioritizing
14 capital projects as compared to the expenditure of funds.

15 (3) All source documentation necessary to review any metrics determined
16 by the legislative auditor, including those included in Paragraph (A)(4) of this
17 Section.

18 (4) Any other information or data requested by the legislative auditor.

19 C. The legislative auditor shall annually certify that the audit of the avails
20 of the motor fuels tax are in substantial compliance with Article VII, Section 27 of
21 the Louisiana Constitution. Notwithstanding any other provision of law to the
22 contrary, if in any three consecutive audits, the legislative auditor finds a lack of
23 substantial compliance in the use of the avails of the tax levied pursuant to the
24 provisions of Article VII, Section 27 of the Louisiana Constitution, the Legislative
25 Audit Advisory Council shall recommend appropriate action to the legislature.

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 618 Original

2018 Regular Session

Abramson

Abstract: Provides for changes to the Highway Priority Program and requires the reporting and auditing of certain information regarding the program and the use of the avails of the taxes levied on certain motor fuels.

Present law establishes a prioritization process for construction of highway and bridge projects utilized to develop a Highway Priority Program that accomplishes many goals including bringing the state highway system into a good state of repair and optimizes the usage and efficiency of existing transportation facilities.

Proposed law specifies that in cases where Priority A and B mega-projects would be prioritized equally in accordance with proposed law and present law, consideration must be given to mega-projects for which funding has been made available by sources other than the state or federal government.

Present law requires, beginning in FY 2017-2018, the Dept. of Transportation and Development (DOTD) to provide the legislature and public with a program that lists projects to be constructed in the ensuing fiscal year in an order of priority that is determined after projects are analyzed utilizing a process based on an objective analysis that considers the following factors relative to the cost of the project and anticipated revenues to be appropriated by the legislature:

- (1) The condition of the roads, streets, and structures making up the state highway system and the urgency of the improvements considering their order of needs.
- (2) The type and volume of traffic on a roadway, highway, or bridge.
- (3) The crash records for a roadway, highway, or bridge.
- (4) The technical difficulties in the preparation of plans and the procurement of rights-of-way for a roadway, highway, or bridge.
- (5) Whether an unforeseeable emergency has created an immediate need for improvement or reconstruction.
- (6) Whether capacity improvements are warranted due to population or traffic volume increases in a geographic area.
- (7) Whether or not the highway or bridge is or will be on an evacuation route utilized to evacuate large populations due to catastrophic events.
- (8) Whether the improvement to or addition of a highway or bridge will benefit the economic development potential of the state.

Proposed law retains present law but changes the FY from 2017-2018 to FY 2019-2020 and adds a factor for prioritization of projects which requires consideration of whether the highway or bridge project will meet the needs of the local and regional planning organizations to ensure that there is an equitable distribution among and between the different regions of the state over a three year period.

Proposed law requires, in addition to the requirements of present law, for DOTD to establish a multi-year time line on the projects to be funded through the program each year including an indication of the source of monies from which project costs will be funded.

Proposed law requires DOTD to submit performance progress reports including the performance objectives, indicators, and standards used by the department to determine the efficiency and effectiveness of the priority of projects in the program. Further requires the report to be submitted and maintained through the electronic performance database maintained and used by the division of administration to track state agency performance standards and on DOTD's webpage.

Proposed law requires, beginning with the program for FY 2019-2020 and for each program thereafter, for DOTD to apply the prioritization factors provided for in present law and begin to prioritize all projects in the program which are at the stage of construction where sources of funding are being identified.

Proposed law further requires, beginning with the program for FY 2019-2020, the department to prioritize all projects included in the program into two separate lists. The first list shall include a three-year plan for all projects in the program where funding is programmed based on the anticipated and projected revenues available for construction in that fiscal year. Requires DOTD to publish the list with notations regarding whether the letting date for each project is on-schedule, ahead of schedule, or delayed.

Proposed law requires the department to include a detailed written explanation of any delay notated on the published list required by proposed law.

Proposed law requires that as projects are completed from the first list, they are deleted and replaced with projects from the second list beginning with the highest level of priority. Further requires DOTD to devise a detailed schedule of construction for all projects on this list which shall include at a minimum, the stage of construction, the estimated start date, and estimated end date for each phase of construction, associated costs, and funding sources for each phase.

Proposed law requires the second list to include a three-year plan for all projects in the program that can be funded if additional revenues become available. Specifies that each year, as projects move from this list to the first list, new projects must be added to the second list from prioritized projects in the program starting with the highest level of priority.

Proposed law requires the district administrator of each of the nine DOTD districts to determine the prioritization of the pavement preservation projects in their respective district.

Proposed law requires, beginning July 1, 2020, the legislative auditor to annually audit the avails of the tax gasoline, motor fuels, and special fuels, referred to as "motor fuel taxes", to ensure compliance with the laws and regulations and adequacy of internal controls to ensure all of the following:

- (1) That the avails of the motor fuels tax are used in accordance with their restricted purposes as set forth in the state constitution.
- (2) That the avails of the motor fuels tax are spent in appropriate categories as outlined in proposed law and present law.
- (3) That the avails of the motor fuels tax are spent on projects in compliance with the priorities set forth in the applicable programs for prioritizing capital projects.
- (4) That the avails of the motor fuels tax are spent in an efficient and effective manner showing improvement in program operations through performance measures such as pavement conditions, bridge conditions, safety improvements, implementation of

the La. Statewide Transportation Plan, and other outcome measures as determined by the auditor.

Proposed law requires DOTD to annually submit a report to the legislature and the legislative auditor which contains detailed information regarding the expenditure breakdown of the avails of the motor fuel taxes utilized by the department in accordance with the restricted purposes as set forth in the state constitution and the methodology and outcomes of DOTD's prioritization of projects, and all source documentation necessary to review any metrics determined by the legislative auditor. Proposed law provides for a detailed breakdown of additional information the report is required to include.

Proposed law requires the auditor to annually certify that the audit of the avails of the motor fuels tax are in substantial compliance. Proposed law specifies that if the legislative auditor finds a lack of substantial compliance with any three consecutive audits, then the Legislative Audit Advisory Council is required to make recommendations of appropriate action to the legislature.

(Amends R.S. 48:229.1(B) and (C); Adds R.S. 48:229.1(A)(9), (10), and (11), and 229.2)