SLS 21RS-118 **ORIGINAL**

2021 Regular Session

SENATE BILL NO. 30

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17

BY SENATOR CATHEY

TAX/SALES. Dedicates a portion of the state sales tax to the Transportation Trust Fund. (7/1/22)

AN ACT

2	To amend and reenact R.S. 47:321.1(G), relative to state sales and use tax; to dedicate the
3	temporary state sales and use tax levy to the Transportation Trust Fund; to provide
4	for the use of the dedicated funds; to require Joint Legislative Committee on the
5	Budget approval before issuing bonds; to require the Louisiana Legislative Auditor
6	to conduct a performance audit on the use of the dedicated funds; to provide for
7	effectiveness; and to provide for related matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 47:321.1(G) is hereby amended and reenacted to read as follows:
10	§321.1. Imposition of tax
11	* * *
12	G. The (1) Except as otherwise provided in Paragraph (2) of this
13	Subsection, the avails of the tax collected under pursuant to this Section shall be
14	deposited immediately into the state treasury, and, after compliance with the
15	requirements of Article VII, Section 9(B) of the Constitution of Louisiana, the state
16	treasurer shall pay the remainder of the monies into the state general fund.

(2) Beginning July 1, 2022, the avails of the tax collected pursuant to this

1	Section shall be deposited immediately into the state treasury, and, after
2	compliance with the requirements of Article VII, Section 9(B) of the
3	Constitution of Louisiana, the state treasurer shall deposit two hundred fifty
4	million dollars of the remainder of the monies to the Transportation Trust Fund
5	annually.
6	(3) Monies deposited to the Transportation Trust Fund pursuant to
7	Paragraph (2) of this Subsection shall be appropriated and dedicated solely for
8	the direct costs associated with actual project delivery, construction, and
9	maintenance of roads and bridges in the state highway system. A minimum of
10	fifty percent of these monies shall be appropriated and dedicated equally for
11	projects in each of the nine highway districts.
12	(4) The State Bond Commission shall not issue bonds secured by the
13	avails of the tax deposited into the Transportation Trust Fund pursuant to this
14	Subsection unless first approved by a favorable vote of the Joint Legislative
15	Committee on the Budget.
16	(5) Beginning on July 1, 2023, the Louisiana Legislative Auditor shall
17	$\underline{conductanannualperformanceauditoftheDepartmentofTransportationand}$
18	Development's operations to ensure the monies deposited into the
19	Transportation Trust Fund are used in accordance with the provisions of this
20	Subsection and shall present its findings to the Senate Committee on
21	Transportation, Highways and Public Works, the House Committee on
22	Transportation, Highways and Public Works, and the Joint Legislative
23	Committee on the Budget by January first of each year.
24	* * *
25	Section 2. This Act shall become effective on July 1, 2022.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Curry Lann.

DIGEST

SB 30 Original

2021 Regular Session

Cathey

<u>Present law</u> levies a temporary 0.45% state sales and use tax that will expire on June 30, 2025, that is deposited into the state general fund.

Proposed law retains the present law tax levy and expiration date.

<u>Proposed law</u> dedicates two hundred fifty million dollars of the avails of the temporary tax to the Transportation Trust Fund (TTF) beginning July 1, 2022.

<u>Proposed law</u> provides that avails of the temporary sales tax dedicated to the TTF may be used only for project delivery, construction, and maintenance of roads and bridges in the state highway system.

<u>Proposed law</u> requires that a minimum of 50% of the temporary sales tax dedicated to the TTF be allocated equally among the nine multi-parish highway districts.

<u>Proposed law</u> prohibits the State Bond Commission from issuing bonds secured by the avails of the tax deposited into the Transportation Trust Fund unless first approved by a favorable vote of the Joint Legislative Committee on the Budget (JLCB).

<u>Proposed law</u> requires the La. Legislative Auditor to conduct an annual performance audit on the use of the dedicated funds and present its findings to the Senate Committee on Transportation, Highways and Public Works, the House Committee on Transportation, Highways and Public Works, and JLCB by January first of each year.

Effective July 1, 2022.

(Amends R.S. 47:321.1(G))