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## DIGEST

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HB 582 Engrossed

2021 Regular Session

McFarland

**Abstract:** Dedicates \$120M of the avails of the tax levied on gasoline and diesel into the Construction Subfund of the Transportation Trust Fund (TTF) and imposes a one-time \$1,000 road-use fee on electric vehicles and a one-time \$500 road-use fee on hybrid vehicles and dedicates the proceeds of the fees into the Construction Subfund of the TTF.

### **Dedication of the Tax Levied on Gasoline and Diesel**

Present law provides for the levy of a tax of 4¢ per gallon of gasoline, diesel, and special fuels. Present law requires the proceeds of this 4¢ per gallon tax on these motor fuels to be credited to the Transportation Infrastructure Model for Economic Development (TIMED) account in the Transportation Trust Fund (TTF) for use solely on projects in the TIMED program.

Proposed law retains present law with respect to the levy of a tax of 4¢ per gallon of gasoline, diesel, and special fuels.

Present law provides for the levy of a tax of 16¢ per gallon tax on gasoline, diesel, and special fuels.

Proposed law retains present law regarding the levy of the 16¢ per gallon tax on gasoline, diesel, and special fuels but dedicates, beginning July 1, 2021, \$120M of the avails of the 16¢ per gallon tax on gasoline and diesel into the Construction Subfund of the TTF. However, before the treasurer deposits \$120M of the avails of the tax into the Construction Subfund, all requirements associated with bonds, refunding bonds, and all required and related payments under any interest rate swap agreements secured by the avails of the tax must be satisfied. Further provides that the avails of the tax continue to be pledged and available to pay the requirements associated with bonds, refunding bonds, or interest rate swap agreements as provided in present constitution.

### **Electric Vehicles and Hybrid Vehicles**

Proposed law imposes a one-time road use fee of \$1,000 on each electric vehicle and one-time road-use fee of \$500 on each hybrid vehicle which is operated upon the highways of this state and which is required to be registered and to pay registration license tax in accordance with present law. Further requires the fee to be collected by the motor vehicle dealer from the purchaser at the time of sale of a new or used electric vehicle or hybrid vehicle and remitted to the office of motor vehicles in the same manner as all sales and use taxes are collected.

Proposed law requires the commissioner of motor vehicles to deposit the proceeds of the fees

collected into the treasury. After compliance with the requirements of the present constitution, the treasurer shall deposit an amount equal to the proceeds of the fee imposed into the Construction Subfund of the TTF.

Proposed law defines an "electric vehicle" as a vehicle powered by one or more electric motors or energy stored in rechargeable batteries for propulsion and defines a "hybrid vehicle" as a vehicle that uses gasoline, diesel fuel, or special fuels in combination with an electric motor for propulsion.

Effective on July 1, 2021.

(Adds R.S. 32:461 and R.S. 47:818.12(E))

### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Delete repeal of the 16¢ per gallon tax on gasoline, diesel, and special fuels.
2. Delete the levy of a new 16¢ per gallon tax on gasoline, diesel, and special fuels.
3. Beginning July 1, 2021, dedicate \$120M of the avails of the tax levied on gasoline and diesel in present law into the Construction Subfund of the TTF after all requirements associated with bonds, refunding bonds, and all required and related payments under any interest rate swap agreements secured by the avails of the tax are satisfied.
4. Delete the annual tax of \$200 per year levied on each electric vehicle and the annual tax of \$100 per year on each hybrid vehicle operated on state highways which are required to be registered and to pay registration license tax in accordance with present law.
5. Impose a one-time road use fee of \$1,000 on each electric vehicle and one-time road use fee of \$500 on each hybrid vehicle which is operated upon the highways of this state and which is required to be registered and to pay registration license tax in accordance with present law.
6. Change the collection of the fee from the office of motor vehicles every two years to motor vehicle dealers to be collected from the purchaser at the time of sale of a new or used electric vehicle or hybrid vehicle.
7. Delete provisions requiring the legislative auditor to commence a comprehensive audit of the Dept. of Transportation and Development to review the department's operations, organizational efficiency, and performance in regard to the department's utilization of operating revenues and to review the use of the avails of the taxes deposited into the Construction Subfund of the TTF.

