



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 123** SLS 15RS 461
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: April 30, 2015 9:44 AM	Author: ADLEY
Dept./Agy.: DOTD, Public Safety - State Police, & Parish Transportation	
Subject: Provides for certain dedications from the TTF	Analyst: Alan M. Boxberger

FUNDS/FUNDING OR INCREASE GF EX See Note Page 1 of 1

Constitutional amendment to provide, beginning Fiscal Year 2016-2017, for certain dedications from the Transportation Trust Fund. (2/3-CA13s1(A))

Present constitution provides that the monies in the Transportation Trust Fund (TTF) shall be appropriated or dedicated solely and exclusively for the costs for and associated with construction and maintenance of the roads and bridges of the state and federal highway systems, the Statewide Flood-Control Program, ports, airports, transit, state police for traffic control purposes, the Parish Transportation Fund and the payment of bonds secured by the trust fund. Proposed constitutional amendment deletes state police for traffic control purposes as one of the eligible uses of monies in the Transportation Trust Fund. Present constitution provides that the state generated tax monies appropriated for ports, Parish Transportation Fund, the Statewide Flood-Control Program and state police for traffic control purposes shall not exceed twenty percent annually of the state generated tax revenues in the fund, provided however that no less than the avails of one cent of the tax on gasoline and special fuels shall be appropriated each year to the Parish Transportation Fund. Proposed constitutional amendment removes state police from the 20% allowable usage and stipulates that no more than the avails of one cent of the tax on gasoline and special fuels shall be appropriated each year to the Parish Transportation Fund. Specifies submission of the amendment to the voters at the Louisiana statewide election to be held on October 24, 2015.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	INCREASE	INCREASE	INCREASE	INCREASE	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0					\$0

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed constitutional amendment seeks to eliminate the allowable usage of the Transportation Trust Fund (TTF) to be used for traffic control purposes by the Department of Public Safety, Office of State Police (OSP) beginning in state FY17. Proposed constitutional amendment will require a budget reduction or offset to the level of TTF currently allocated to OSP in House Bill 1 beginning in FY17. The state would be required to reduce the TTF appropriation to OSP by \$65.1M in FY17 and beyond compared to the current recommended funding level in House Bill 1. The restriction of the usage of TTF funds would require an appropriation offset from a separate means of finance (assumed to be SGF) or would require reductions to the budget recommendation for OSP, which would result in necessary downsizing of OSP operations and layoff of State Troopers.

Additionally, proposed constitutional amendment would modify the existing provision to allocate no less than one cent of the sixteen-cent tax on gasoline and special fuels to be appropriated or dedicated each year to the Parish Transportation Fund. Proposed constitutional amendment will require that no more than one cent of the state gasoline and special fuel tax shall be appropriated or dedicated to the Parish Transportation Fund, rather than no less than one cent as per current constitution. According to the latest forecast adopted by the Revenue Estimating Conference, the revenue associated with each cent of the gasoline and special fuels tax is estimated at approximately \$31.2M in FY17, \$31.6M in FY18 and \$32.1M in FY19. The existing budget recommendation for schedule 20-903, Parish Transportation Trust Fund, in FY16 is \$46.4M in House Bill 1. Proposed constitutional amendment will result in a reduction of TTF appropriated to the Parish Transportation Fund of approximately \$15.2M in FY17, \$14.8M in FY18 and \$14.3M in FY19 when compared to the current House Bill 1.

The Secretary of State may incur minimal ballot printing costs associated with this measure. However, as a regular practice, the Secretary of State typically budgets for up to 10 constitutional amendments for the fall statewide elections.

NOTE: The Parish Transportation Fund budget unit contains three programs, the Parish Road Program (recommended at \$38.45M in FY16), the Mass Transit Program (recommended at \$4.95M) and the Off-system Roads and Bridges Match Program (recommended at \$3.0M). Within the Parish Road Program, funding up to \$34M is distributed to the parishes on a per capita basis while funding beyond \$34M is distributed on a per road mileage basis.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

☒ 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

☒ 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

☐ 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Staff Director