

2021 Regular Session

HOUSE BILL NO. 639

BY REPRESENTATIVES ZERINGUE AND SCHEXNAYDER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING: Provides relative to infrastructure funding

1 AN ACT

2 To enact Subpart Q-1 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana
3 Revised Statutes of 1950, to be comprised of R.S. 39:100.122 and 100.123, and
4 Subpart Q-2 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana
5 Revised Statutes of 1950, to be comprised of R.S. 39:100.124, relative to funding for
6 infrastructure investment and construction; to create the Matching Assistance and
7 Grants for Infrastructure and Construction Fund; to provide for uses of the fund; to
8 create a program for the administration of monies from the fund; to create the
9 Hurricane and Storm Damage Risk Reduction System Repayment Fund; to provide
10 for an effective date; and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. Subpart Q-1 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
13 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.122 and 100.123, and Subpart
14 Q-2 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of
15 1950, comprised of R.S. 39:100.124, are hereby enacted to read as follows:

16 SUBPART Q-1. MATCHING ASSISTANCE AND GRANTS FOR
17 INFRASTRUCTURE AND CONSTRUCTION FUND

18 §100.122. Matching Assistance and Grants for Infrastructure and Construction Fund

19 A. There is hereby created in the state treasury, as a special fund, the
20 "Matching Assistance and Grants for Infrastructure and Construction Fund",
21 hereinafter referred to in this Section as the "fund".

1 B. Monies in the fund shall be invested in the same manner as monies in the
2 general fund. Interest earned on investment of monies in the fund shall be credited
3 to the fund. Unexpended and unencumbered monies in the fund at the end of the
4 fiscal year shall remain in the fund.

5 C. Monies in the fund shall be used solely as provided in this Subpart.
6 §100.123. Matching Assistance and Grants for Infrastructure and Construction
7 Program

8 A. There is hereby created the Matching Assistance and Grants for
9 Infrastructure and Construction Program, hereinafter referred to in this Section as the
10 "program", to be administered as provided in this Section.

11 B. The program may provide funding for any of the following purposes:

12 (1) To provide match funds and other required local contributions to local
13 governments for planning, design, construction, and maintenance connected with
14 infrastructure projects.

15 (2) To establish state programs to assist local government with funding for
16 infrastructure projects, including those for water, sewerage, and broadband projects.

17 (3) To provide funding for coastal infrastructure, including hurricane
18 protection and mitigation projects related to wetlands in the coastal area.

19 (4) To provide the state share of matching funds for federal grants or other
20 required contributions for the planning, design, construction, and maintenance
21 connected with federal funding for infrastructure projects.

22 (5) To finance any infrastructure programs which the federal government
23 authorizes.

24 (6) To provide for any other expenditure consistent with a federal
25 infrastructure program.

1 SUBPART Q-2. HURRICANE AND STORM DAMAGE RISK REDUCTION

2 SYSTEM REPAYMENT FUND

3 §100.124. Hurricane and Storm Damage Risk Reduction System Repayment Fund;

4 purpose

5 A. There is hereby created in the state treasury, as a special fund, the
6 "Hurricane and Storm Damage Risk Reduction System Repayment Fund",
7 hereinafter referred to as the "fund".

8 B. Beginning July 1, 2021, and after compliance with the requirements of
9 Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond
10 Security and Redemption Fund, state taxes levied on the sale at retail, use, lease,
11 rental, consumption, distribution, and storage for use or consumption of each item
12 or article of tangible personal property pursuant to R.S. 47:302(A) and (B), 321(A)
13 and (B), 321.1(A) and (B), and 331(A) and (B), including remote sales, that are
14 collected in the parishes of St. Charles, Jefferson, Plaquemines, St. Bernard, and
15 Orleans shall be deposited into the fund.

16 C. Monies in the fund shall be invested in the same manner as monies in the
17 state general fund. Interest earned on investment of monies in the fund shall be
18 credited to the fund. Unexpended and unencumbered monies in the fund at the end
19 of the fiscal year shall remain in the fund.

20 D. Monies shall only be deposited into the fund in Fiscal Years 2021-2022
21 and 2022-2023. The amount of monies deposited into the fund pursuant to
22 Subsection B of this Section shall not exceed four hundred million dollars for each
23 fiscal year.

24 E. Monies in the fund shall be used exclusively to make payments to the
25 United States Army Corp of Engineers for costs associated with the Hurricane and
26 Storm Damage Risk Reduction System or to make debt service payments in the
27 event the state issues general obligation bonds to fund the payments to the United
28 States Army Corp of Engineers.

1 Section 2. This Act shall become effective upon signature by the governor or, if not
2 signed by the governor, upon expiration of the time for bills to become law without signature
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
5 effective on the day following such approval.

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 639 Reengrossed

2021 Regular Session

Zeringue

Abstract: Creates the Matching Assistance and Grants for Infrastructure and Construction Fund and the Hurricane and Storm Damage Risk Reduction System Repayment Fund to provide funding for state infrastructure programs and expenditures.

Proposed law creates the Matching Assistance and Grants for Infrastructure and Construction Fund as a special fund in the state treasury.

Proposed law creates the Matching Assistance and Grants for Infrastructure and Construction Program to administer monies from the fund.

Proposed law provides that the program may provide funding for the following purposes:

- (1) To provide matching funds and other required local contributions to local governments for planning, design, construction, and maintenance connected with infrastructure projects.
- (2) To establish state programs to assist local governments with funding for infrastructure projects, including those for water, sewerage, and broadband projects.
- (3) To provide funding for coastal infrastructure, including hurricane protection and mitigation projects related to wetlands in the coastal area.
- (4) To provide the state share of matching funds for federal grants or other required contributions for the planning, design, construction, and maintenance connected with federal funding for infrastructure projects.
- (5) To finance any infrastructure programs which the federal government authorizes.
- (6) To provide for any other expenditure consistent with a federal infrastructure program.

Proposed law creates the Hurricane and Storm Damage Risk Reduction System Repayment Fund as a special fund in the state treasury.

Proposed law requires for Fiscal Years 2021-2022 and 2022-2023 that certain state taxes levied on the sale at retail, use, lease, rental, consumption, distribution, and storage for use or consumption of each item or article of tangible personal property, including remote sales,

that are collected in the parishes of St. Charles, Jefferson, Plaquemines, St. Bernard, and Orleans to be deposited into the fund.

Proposed law provides that money in the fund shall be used exclusively to make payments to the U.S. Army Corp of Engineers for costs associated with Hurricane and Storm Damage Risk Reduction System or to make debt service payments if the state issues general obligation bonds to fund the payments to the U.S. Army Corp of Engineers.

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

(Adds R.S. 39:100.122-100.124)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Creates the Hurricane and Storm Damage Risk Reduction System Repayment Fund and dedicates certain state sales taxes to the fund.