Existing law (R.S. 48:77) provides that beginning FY 2023-2024, 30% of the avails of the taxes from the sale, use, or lease of motor vehicles taxable pursuant to existing law are deposited into the Construction Subfund (subfund) of the Transportation Trust Fund. Provides that for FY 2024-2025 and each fiscal year thereafter, 60% of the avails of those taxes are deposited into the subfund.

Existing law requires the Dept. of Transportation and Development (department) to utilize up to 75% of the monies deposited into the subfund pursuant to existing law on mega projects and cash managed capacity projects. Requires the department to prioritize certain enumerated mega projects and lists certain capacity projects that are included.

New law retains existing law.

Prior law required the department to utilize an amount not less than 25% of the remaining monies on highway and bridge preservation projects included in the highway priority program pursuant to the department’s definition of highway and bridge preservation projects.

New law requires the department to use motor vehicle sales tax avails deposited into the subfund as necessary to match federal funds made available to the state through transportation-related programs or grants.

New law provides that the prior law requirement that department utilize an amount not less than 25% on highway and bridge preservation projects is subject to the requirement that the department use monies deposited into the subfund to match federal funds.

Prior law provided that of the motor vehicle sales tax avails to be utilized by the department pursuant to prior law, an amount of 5%, not to exceed $10 million, shall be utilized for projects authorized pursuant to the provisions of existing law (R.S. 48:224.1) relative to the transfer and exchange of state and local roads.

New law repeals prior law.

Prior law prohibited the issuance of total debt in excess of $150 million per fiscal year that is secured by vehicle sales tax revenue deposited into the subfund.

New law repeals prior law.

Effective June 15, 2022.

(Amends R.S. 48:77(D); repeals R.S. 48:77(E))