DIGEST

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HB 346 Reengrossed	2025 Regular Session	Deshotel
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Abstract: Establishes the Local Infrastructure Fund and requires monies in the fund to be used for the reimbursement of qualifying expenses incurred by a political subdivision in connection with the expansion of broadband services.

<u>Proposed law</u> establishes the Local Infrastructure Fund as a special fund in the state treasury. Requires the treasurer to deposit any monies transferred or appropriated by the legislature as well as donations, gifts, grants, appropriations, or other revenues.

<u>Proposed law</u> requires monies in the fund to be invested in the same manner as monies in the state general fund. Interest earned on investment of monies in the fund shall be credited to the fund. Unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund.

<u>Proposed law</u> requires monies in the fund to be used for the reimbursement of qualifying expenses of a political subdivision incurred in the repair or mitigation of damages caused by the expansion of broadband services. Monies in the fund shall be appropriated to the division of administration, office of community development.

<u>Proposed law</u> requires the division of administration, office of community development, to develop guidelines for the administration of monies in the fund. The Water Sector Commission shall review and approve the guidelines prior to implementation. Requires the office of community development to submit a quarterly report to the Water Sector Commission on the monies expended from the fund.

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

(Adds R.S. 39:100.254)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the <u>original</u> bill:

1. Change the use of monies in the fund <u>from</u> community water and sewer projects and local road projects <u>to</u> community water and sewer projects only.

- 2. Add a \$10M limit per fiscal year for community water and sewer projects.
- 3. Establish the Local Infrastructure Fund and provide for its uses should House Bill No. 366 of the 2025 Regular Session of the Legislature be adopted at a statewide election and become effective. Provide for this version of the fund to supersede any other version of the fund enacted into law.
- 4. Provide that <u>proposed law</u> is applicable to taxable periods on or after Jan. 1, 2025.

The House Floor Amendments to the engrossed bill:

- 1. Remove the dedicating sales and use taxes collected on telecommunication services into the fund.
- 2. Require monies in the fund to be appropriated to the division of administration, office of community development to be used for reimbursement of qualifying expenses of a political subdivision incurred in the repair or mitigation of damages caused by the expansion of broadband services.
- 3. Require the office of community development to develop guidelines for the administration of monies in the fund. Require the Water Commission to approve the guidelines.
- 4. Require the office of community development to provide a quarterly report to the Water Sector Commission on the monies expended from the fund.