

2020 Regular Session

SENATE BILL NO. 463

BY SENATOR WARD

FUNDS/FUNDING. Provides for the dedication of certain revenues to transportation. (gov sig)

1 AN ACT

2 To amend and enact the introductory paragraph of R.S. 48:77(B) and to enact R.S. 48:77(C),
3 relative to the dedication of revenues to transportation; to provide for the deposit into
4 and allowable uses thereof of certain monies into the Transportation Trust Fund,; to
5 provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. The introductory paragraph of R.S. 48:77(B) is hereby amended and
8 reenacted and R.S. 48:77(C) is hereby enacted to read as follows:

9 §77. Transportation Trust Fund; dedication and uses of certain monies for
10 transportation purposes

11 * * *

12 B. The monies dedicated pursuant to ~~Subsection A~~ **Subsections A and C** of
13 this Section shall be deposited to the funds specified for the following purposes:

14 * * *

15 **C.(1) Beginning July 1, 2021, after satisfying the requirements of Article**
16 **VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security**
17 **and Redemption Fund, the treasurer shall annually deposit the excess avails of**

1 the taxes imposed on the severance of oil by Chapter 6 of Subtitle II of Title 47
 2 of the Louisiana Revised Statutes of 1950 to the funds to be dedicated for use as
 3 provided in Subsection B of this Section.

4 (2) "Excess avails" shall mean oil severance tax avails that are in excess
 5 of the oil severance tax that would have been collected if the per barrel oil price
 6 had been fifty-five dollars for any fiscal year in which the last official forecast
 7 of revenues adopted for the fiscal year before the start of that fiscal year
 8 contains an estimate of oil severance tax revenues determined using a price per
 9 barrel that is greater than fifty-five dollars.

10 (3) The provisions of this Subsection shall not reduce the allocation of
 11 mineral revenues pursuant to Article VII, Section 10.16(B) of the constitution
 12 of Louisiana.

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

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Leonore Heavey.

DIGEST

SB 463 Original 2020 Regular Session Ward

Present law directs the state treasurer to deposit up to \$100 million per year of the sales tax on motor vehicles to the Transportation Trust Fund when certain conditions are met.

Present law provides for the deposit of sales and use tax proceeds as follows:

- (1) The first seventy million dollars shall be deposited into the Transportation Trust Fund to be used exclusively for state highway pavement and bridge sustain ability projects.
- (2) 93% of the remaining monies shall be deposited into the Transportation Trust Fund to be appropriated and expended as follows: 30% to dedicated to capacity and/or safety projects, 25% for port priority projects, and 45% for priority project specifically for state highway pavement and bridge sustain ability.
- (3) The remaining seven percent of the avails of the taxes shall be used exclusively for final design and construction and shall not be used for studies.

Proposed law directs the treasurer to deposit excess oil severance tax avails to the Transportation Trust Fund to be used in the manner provided by present law for motor vehicle sales tax.

Proposed law defines "excess avails" as oil severance tax that is in excess of the oil severance tax that would have been collected if the per barrel oil price had been fifty-five dollars.

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

(Amends R.S. 48:77(B)(intro para); adds R.S. 48:77(C))