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## DIGEST

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HB 693 Original

2021 Regular Session

Davis

**Abstract:** Annually dedicates a percentage of the avails of the .45% state sales and use tax to the Construction Subfund and specifics the use of the monies.

Present law levies a .45% state sales and use tax. Further provides the levy will expire June 30, 2025.

Present law provides the collections from the .45% sales and use tax are deposited into the state general fund.

Proposed law annually dedicates a percentage of the tax levied in present law to the Construction Subfund of the Transportation Trust Fund (subfund) provided for in present constitution (Art. VII, Sec. 27(B)(2)), as follows:

- (1) For FY 2021-2022, 10% of the avails shall be deposited into the subfund.
- (2) For FY 2022-2023, 20% of the avails shall be deposited into the subfund.
- (3) For FY 2023-2024, 30% of the avails shall be deposited into the subfund.
- (4) For FY 2024-2025, 40% of the avails shall be deposited into the subfund.

Proposed law requires the Dept. of Transportation and Development (DOTD) to utilize the monies which are deposited into the Construction Subfund pursuant to present law as follows:

- (1) 60% of the monies to be utilized on highway and bridge preservation projects included in the Highway Priority Program.
- (2) 40% of the monies to be utilized on Highway Priority Program projects classified as capacity projects.

Proposed law, with respect to capacity projects, requires the secretary to prioritize and construct the following mega projects based on the completion of each project's federally mandated environmental process and requirements:

- (1) Replacement of the I-10 Calcasieu River bridge and I-10 improvements from the I-210 interchange west of the river to the I-210 interchange east of the river.

- (2) A new Mississippi River Bridge at Baton Rouge with freeway-level connections from the interstate west of Baton Rouge to the interstate east of Baton Rouge.
- (3) Upgrades to US 90 to interstate standards from the I-10 and I-49 interchange at Lafayette to New Orleans.
- (4) Widening of I-12 to six lanes and associated improvements where this interstate is not yet upgraded from Baton Rouge to the Mississippi state line.
- (5) A new, four lane Jimmie Davis Bridge on LA 511 across the Red River in Shreveport-Bossier.
- (6) Widening to six lanes and associated improvements to I-20 at Monroe from LA 546 to LA 594.
- (7) US 90, Port of New Orleans access improvements with improved and maintained interstate lighting in New Orleans.
- (8) Alexandria-Pineville Beltway, Segments E, F, G, H, and I from La. 28 East to LA 28 West.

Proposed law extends the current state sales and use tax at a rate of .4% beginning July 1, 2025. Further provides that the levy will terminate after June 30, 2031.

Proposed law provides that a percentage of the new levy will be dedicated annually to the subfund as follows:

- (1) For FY 2025-2026, 50% of the avails shall be deposited into the subfund.
- (2) For FY 2026-2027, 60% of the avails shall be deposited into the subfund.
- (3) For FY 2027-2028, 70% of the avails shall be deposited into the subfund.
- (4) For FY 2028-2029, 80% of the avails shall be deposited into the subfund.
- (5) For FY 2029-2030, 90% of the avails shall be deposited into the subfund.
- (6) For FY 2030-2031, 100% of the avails shall be deposited into the subfund.

Effective July 1, 2021, except that levy of new tax is effective July 1, 2025.

(Amends R.S. 47:321.1(D); Adds R.S. 47:331.1)