

2021 Regular Session

HOUSE BILL NO. 511

BY REPRESENTATIVES MCFARLAND, AMEDEE, BACALA, DAVIS, EDMONDS, FARNUM, FIRMENT, FREIBERG, GADBERRY, HARRIS, HORTON, MCKNIGHT, MIGUEZ, CHARLES OWEN, AND SCHAMERHORN

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

BUDGETARY CONTROLS: Provides relative to budgetary operations and funding for the Department of Transportation and Development

1 AN ACT

2 To amend and reenact R.S. 48:77 and to enact R.S. 48:71, 72, and 229.2, relative to
3 budgetary operations and funding for the Department of Transportation and
4 Development; to provide for audits; to repeal the dedication of certain revenues to
5 the Transportation Trust Fund; to dedicate certain revenues to the Construction
6 Subfund of the Transportation Trust Fund; to require an online platform for Highway
7 Priority Program information; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 48:77 is hereby amended and reenacted and R.S. 48:71, 72, and
10 229.2 are hereby enacted to read as follows:

11 §71. Legislative review of departmental operations

12 A. The House Committee on Transportation, Highways and Public Works
13 and the Senate Committee on Transportation, Highways and Public Works shall meet
14 jointly to review the following:

15 (1) The impacts of legislation enacted as a result of the 2021 Regular Session
16 of the Legislature and any legislative session thereafter relating to the department's
17 operations, employee salaries and related benefits, and capital project expenditures.

18 (2) Any audit published by the legislative auditor relating to the department.

1 (3) Reports provided by the department concerning self-generated revenues.

2 (4) The organizational structure of the department as it relates to the efficient
3 and effective delivery of services to the public.

4 (5) The operational needs and costs of the department and related means of
5 financing.

6 (6) Privatization of any departmental service or function.

7 (7) The department's operational and strategic planning.

8 (8) Any matter related to operational or capital budgeting for the department.

9 (9) Best practices from other states.

10 (10) Any priority program of the department.

11 (11) Any other matter as agreed upon by majority vote of the commission.

12 B. In addition to the matters provided for in Subsection D of this Section, the
13 joint committee shall study the forthcoming effects of conversion to electric and
14 hybrid vehicles on highway funding and develop a detailed recommendation for fully
15 funding the state's transportation needs through a new fee or tax collection structure.
16 This recommendation shall be submitted in writing to the speaker of the House of
17 Representatives, president of the Senate, House Committee on Ways and Means, and
18 the Senate Committee on Revenue and Fiscal Affairs no later than December 31,
19 2024.

20 §72. Audit requirements

21 A. No later than July 1, 2022, the legislative auditor shall commence a
22 comprehensive audit of the Department of Transportation and Development. The
23 audit shall include, but not be limited to the following:

24 (1) Review of the department's operations and organizational efficiency.

25 (2) Review of the department's use of the avails of the taxes deposited into
26 the Construction Subfund of the Transportation Trust Fund pursuant to the
27 provisions of Article VII, Section 27 of the Constitution of Louisiana.

1 (8) For Fiscal Year 2028-2029, eighty percent of the avails shall be deposited
2 into the subfund.

3 (9) For Fiscal Year 2029-2030, ninety percent of the avails shall be deposited
4 into the subfund.

5 (10) For Fiscal Year 2030-2031 and each fiscal year thereafter, one hundred
6 percent of the avails shall be deposited into the subfund. ~~satisfying the requirements~~
7 ~~of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond~~
8 ~~Security and Redemption Fund, the treasurer shall deposit an amount equal to an~~
9 ~~increase in general fund revenues as certified by the Revenue Estimating Conference~~
10 ~~as being attributable to the provisions of Acts 2015, No. 257, but not in excess of~~
11 ~~one hundred million dollars per fiscal year, to the funds to be dedicated for use as~~
12 ~~provided by Subsection B of this Section.~~

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

15 ~~(1) The first seventy million dollars of the total monies shall be deposited~~
16 ~~into the Transportation Trust Fund to be used exclusively for state highway~~
17 ~~pavement and bridge sustainability projects in accordance with the Department of~~
18 ~~Transportation and Development definitions of such projects.~~

19 ~~(2) After compliance with the provisions of Paragraph (1) of this Subsection,~~
20 ~~ninety-three percent of the remaining monies shall be deposited into the~~
21 ~~Transportation Trust Fund to be appropriated and expended as follows:~~

22 ~~(a) Not less than thirty percent shall be dedicated to highway priority~~
23 ~~program projects classified as capacity projects in accordance with the Department~~
24 ~~of Transportation and Development definitions of such projects.~~

25 ~~(b) Twenty-five percent shall be used exclusively for port construction and~~
26 ~~development priority program projects as provided in Chapter 47 of Title 34 (R.S.~~
27 ~~34:3451 through 3463).~~

28 ~~(c) The remainder of the monies after compliance with Subparagraphs (2)(a)~~
29 ~~and (b) of this Paragraph shall be used exclusively for highway priority projects.~~

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 511 Reengrossed

2021 Regular Session

McFarland

Abstract: Provides for study and review of the operating budget and capital project expenditures of the Dept. of Transportation and Development (DOTD) and dedicates the sales and use tax for motor vehicles to the Construction Subfund of the Transportation Trust Fund (TTF).

Proposed law requires the House and Senate committees on transportation, highways and public works to meet jointly for the purpose of assessing DOTD's operations, employee salaries and related benefits, and capital project expenditures.

Proposed law further requires the committees to study the impacts of conversion to electric and hybrid vehicles on highway funding and submit recommendations for fully funding the state's transportation needs to the speaker of the House, president of the Senate, and the House Committee on Ways and Means, and Senate Committee on Revenue and Fiscal Affairs no later than Dec. 31, 2024.

Proposed law requires the legislative auditor to commence a comprehensive audit of DOTD, which shall include a review of DOTD's operations, organizational efficiency, and use of the avails of taxes deposited into the Construction Subfund of the TTF.

Present law requires the treasurer to deposit the avails of taxes from the sale, use, lease or rental, distribution, consumption, and storage for use or consumption of motor vehicles into the TTF. Proposed law removes this requirement and instead requires the legislature to deposit the avails of these taxes into the Construction Subfund of the TTF 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.
- (5) For FY 2025-2026, 50% of the avails shall be deposited into the subfund.
- (6) For FY 2026-2027, 60% of the avails shall be deposited into the subfund.
- (7) For FY 2027-2028, 70% of the avails shall be deposited into the subfund.
- (8) For FY 2028-2029, 80% of the avails shall be deposited into the subfund.
- (9) For FY 2029-2030, 90% of the avails shall be deposited into the subfund.
- (10) For FY 2030-2031, and each fiscal year thereafter, 100% of the avails shall be deposited into the subfund.

Present law requires the treasurer to deposit an amount equal to an increase in general fund revenues as certified by the Revenue Estimating Conference as being attributable to certain mineral revenues, not in excess of \$100 million per fiscal year, to the TTF.

Proposed law repeals present law.

Proposed law requires DOTD to develop an online platform to provide the public access to Highway Priority Program project information.

Proposed law provides that projects in the Highway Priority Program shall have a designated total cost which shall include a prorated cost associated with third-party services required by the department to create, implement, and maintain the online platform.

Proposed law requires DOTD to utilize targeted digital technologies to raise public awareness of the online platform, to provide project updates to the public, and to seek the public's input on projects.

(Amends R.S. 48:77; Adds R.S. 48:71, 72, and 229.2)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Delete the requirement that the legislature appropriate funding for DOTD's operating budget from the avails of taxes from the sale, use, lease or rental, distribution, consumption, and storage for use or consumption of motor vehicles.
2. Require the deposit of the avails of taxes from the sale, use, lease or rental, distribution, consumption, and storage for use or consumption of motor vehicles into the Construction Subfund of the TTF, beginning with 10% for FY 2021-2022 and increasing to 100% for FY 2030-2031 and each fiscal year thereafter.

The House Floor Amendments to the engrossed bill:

1. Remove the creation of the Commission on Government Reform in Transportation and instead require the House and Senate committees on transportation, highways and public works to review and make recommendations on certain information.