

2022 Regular Session

SENATE BILL NO. 188

BY SENATOR MCMATH

FUNDS/FUNDING. Provides for a "Transportation Rapid Response Fund" for state highway projects. (7/1/23)

1 AN ACT

2 To amend and reenact the introductory paragraph of R.S. 48:77(C) and (E), and to enact R.S.
3 48:77(F), relative to the creation of a special fund within the Construction Subfund
4 entitled the Transportation Rapid Response Fund; to provide for the transfer,
5 dedication, deposit, investment, and use, as specified, of the monies in the
6 Transportation Rapid Response Fund; to provide for an effective date; and to provide
7 for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. The introductory paragraph of R.S. 48:77(C) and (E) are hereby amended
10 and reenacted and R.S. 48:77(F) is hereby enacted to read as follows:

11 §77. Transportation Trust Fund; dedication and uses of certain monies to the
12 Construction Subfund

13 * * *

14 C. The Department of Transportation and Development shall utilize up to
15 ~~seventy-five~~ **sixty-five** percent of the monies deposited into the subfund pursuant to
16 Subsection A of this Section as follows:

17 * * *

1 E. (1) An amount not less than ten percent of the monies deposited into
2 the subfund pursuant to Subsection A of this Section shall be deposited from the
3 subfund into the Transportation Rapid Response Fund, which is hereby created
4 as a subfund of the Construction Subfund in the state treasury for use by the
5 Department of Transportation and Development as provided in this Subsection.

6 (2) All unexpended and unencumbered monies in the Transportation
7 Rapid Response Fund at the end of the fiscal year shall remain in the
8 Transportation Rapid Response Fund. Monies in the Transportation Rapid
9 Response Fund shall be invested by the state treasurer in the same manner as
10 those in the state general fund, and any interest earned on the investment of
11 monies in the Transportation Rapid Response Fund shall be credited to the
12 Transportation Rapid Response Fund.

13 (3) Monies in the Transportation Rapid Response Fund shall be available
14 for appropriation to the Department of Transportation and Development,
15 hereinafter referred to as the "department". Such appropriations shall be used
16 by the secretary of the department for all or a portion of state highway priority
17 projects with construction estimates of one million dollars or less. The secretary
18 of the department shall annually prepare a list of the projects the secretary
19 proposes to be funded from the Transportation Rapid Response Fund, and shall
20 allocate the projects among the nine state highway districts as equitably as
21 possible. The secretary shall then submit the list to the Senate and House
22 Committees on Transportation, Highways and Public Works who shall meet
23 jointly to review and approve the list proposed by the secretary. The committees
24 acting jointly may revise the list, provided that all projects shall be state
25 highway priority projects with construction estimates of one million dollars or
26 less and projects are allocated as equally as possible among the nine state
27 highway districts.

28 (4) Monies in the Transportation Rapid Response Fund shall not be used
29 as the security for debt issued by the state nor shall monies in the

1 **Transportation Rapid Response Fund be used for the payment of debt secured**
 2 **by the Construction Subfund nor the Transportation Trust Fund.**

3 **F.** In any fiscal year, neither the state nor any agency shall issue debt in the
 4 aggregate in excess of one hundred fifty million dollars that is secured by any monies
 5 deposited into the subfund pursuant to the provisions of this Section.

6 Section 2. This Act shall become effective on July 1, 2023; if vetoed by the governor
 7 and subsequently approved by the legislature, this Act shall become effective on the day
 8 following such approval by the legislature or July 1, 2023, whichever is later.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Martha S. Hess.

	DIGEST	
SB 188 Original	2022 Regular Session	McMath

Present law 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 present law shall be deposited into the Construction Subfund of the Transportation Trust Fund (subfund). Provides that for FY 2024-2025 and each fiscal year thereafter, 60% of the avails of the taxes from the sale, use, or lease of motor vehicles taxable pursuant to existing law shall be deposited into the subfund.

Present law further provides that the Dept. of Transportation and Development (department) shall utilize up to 75% of the monies deposited into the subfund pursuant to present law on certain enumerated mega projects.

Proposed law reduces the percent of the monies deposited into the subfund to be used on certain enumerated mega projects from 75% to 65% and proposed law provides that 10% of the monies deposited into the subfund shall be deposited into the Transportation Rapid Response Fund (fund) created in the subfund.

Proposed law provides that all unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund. Monies in the fund shall be invested by the state treasurer in the same manner as those in the state general fund, and any interest earned on the investment of monies in the fund shall be credited to the fund.

Proposed law further provides that monies in the fund shall be available for appropriation to the department. Such appropriations shall be used by the secretary of the department for all or a portion of state highway priority projects with construction estimates of \$1,000,000 or less. The secretary of the department shall annually prepare a list of the projects the secretary proposes to be funded from the fund, and shall allocate the projects among the nine state highway districts as equitably as possible.

Proposed law provides that the secretary shall then submit the list to the Senate and the House Committees on Transportation, Highways and Public Works, who shall meet jointly to review and approve the list proposed by the secretary. The committees acting jointly may revise the list provided that all projects shall be state highway priority projects with construction estimates of \$1,000,000 or less and projects are allocated as equally as possible among the nine state highway districts.

Proposed law prohibits the monies in the fund to be used as the security for debt issued by the state nor shall monies in the fund be used for the payment of debt secured by the Construction Subfund nor the Transportation Trust Fund.

Effective July 1, 2023.

(Amends R.S. 48:77(C)(intro para) and (E); adds R.S. 48:77(F))