

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 188** SLS 22RS 303

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 25, 2022 10:02 AM	<b>Author:</b> MCMATH
<b>Dept./Agy.:</b> Transportation and Development	<b>Analyst:</b> Alan M. Boxberger
<b>Subject:</b> Provides for a Transportation Rapid Response Fund	

FUNDS/FUNDING

OR SEE FISC NOTE SD EX

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

**Present law** provides that beginning in FY 24, 30% of the avails of the taxes from the sale, use, or least of motor vehicles taxable pursuant to **present law** shall be deposited into the Construction Subfund of the TTF, increasing to 60% beginning in FY 25 and each fiscal year thereafter; and provides that DOTD shall utilized up to 75% of the monies deposited into the subfund on certain enumerated mega projects.

**Proposed law** reduces the percentage of monies to be used on certain enumerated mega projects from 75% to 65% and provides that 10% of monies deposited into the Construction Subfund shall be deposited into the Transportation Rapid Response Fund created in the subfund; provides that monies in the Rapid Response Fund be available for appropriation to DOTD for all or a portion of state highway priority projects with construction estimates of \$1 M or less; provides for administration of projects; provides for reporting requirements; and prohibits use of monies in the Rapid Response Fund Fund to be used as security for, or used for, debt payments. **Proposed law** is effective July 1, 2023.

<b>EXPENDITURES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

**Proposed law** creates the Transportation Rapid Response Fund within the Construction Subfund of the Transportation Trust Fund - Regular. **Proposed law** reduces the percentage of monies deposited into the Construction Subfund to be used for certain enumerated mega projects from 75% to 65%, and dedicates the 10% differential into the Transportation Rapid Response Fund.

The Transportation Rapid Response Fund shall be available for appropriation to DOTD and shall be used by the secretary for all or a portion of state highway priority projects with construction estimates of \$1 M or less.

NOTE: DOTD reports that while **proposed law** creates no direct material expenditure impact, the project cost cap will result in the addition of 30-50 additional projects annually to the Highway Program, which would in turn impact the workload associated with project administration to an indeterminable magnitude. The potential impact is an increase in total projects of up to 25%. Although the average cost per project would decrease accordingly, project managers would be responsible for monitoring increased work sites, and the department would be responsible for developing and administering a presumed increase in the number of professional service contracts. The workload impact is indeterminable and if not possible to absorb within existing resources would potentially divert expenditures from other activities.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure. **Proposed law** reduces the percentage of monies to be used on certain enumerated mega projects from 75% to 65% and provides that 10% of monies deposited into the Construction Subfund shall be deposited into the Transportation Rapid Response Fund created within the Subfund.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*

**Evan Brasseaux**

**Interim Deputy Fiscal Officer**