

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 860** HLS 22RS 1349

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 26, 2022	1:11 PM	Author: MCFARLAND
Dept./Agy.: Transportation and Development		Analyst: Alan M. Boxberger
Subject:		

TRANSPORTATION EG SEE FISC NOTE SD EX See Note Page 1 of 1
Provides relative to the use of certain monies in the Transportation Trust Fund by the Department of Transportation and Development

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; provides that DOTD shall utilize up to 75% of the monies deposited into the subfund on certain enumerated mega projects; and requires that DOTD utilize no less than 25% of the remaining money deposited into the subfund pursuant for highway and bridge preservation projects included in the highway priority program.

Proposed law increases the percentage of monies to be used on highway and bridge projects in the highway priority program from no less than 25% to no less than 40%; reduces the percentage of monies to be used on mega and capacity projects from up to 75% to up to 60%; provides that DOTD is authorized, but not required, to use up to 60% of monies deposited into the subfund for mega and capacity projects; provides that in no fiscal year shall the investment in highway and bridge preservation projects existing within metropolitan planning organization (MPO) jurisdictions exceed the investment in such projects outside MPO jurisdictions; and provides for reporting requirements.

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

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. **Proposed law** increases the percentage of monies deposited into the Construction Subfund to be used on highway and bridge preservation projects included in the Highway Priority Program from no less than 25% to no less than 40%. **Proposed law** also provides that the total expended within this category for highway and bridge preservation projects within metropolitan planning organization jurisdictions shall not exceed expenditures for the same projects outside of those jurisdictions.

Proposed law changes the requirement that, "up to **75%** of monies deposited into the Subfund **shall** be used for mega and capacity projects," to state that, "up to **60%** of monies deposited **may** be used for mega and capacity projects." The LFO assumes that any differential less than 60% of monies deposited would be used to progress other projects within the Highway Priority Program.

DOTD shall be required to report in writing to the Joint Legislative Committee on the Budget and the Joint Committee on Transportation, Highways and Public Works by the first day of January if the Subfund allocations will limit or prevent its ability to secure all available federal funding for transportation prior to the start of such fiscal year.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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Interim Deputy Fiscal Officer