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DIGEST

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HB 478 Original

2018 Regular Session

Bacala

**Abstract:** Dedicates, in increments beginning in FY 2020-2021, sales tax on motor vehicles into the Highway Capacity Fund for highway projects funded on a cost-benefit analysis.

Present law provides for the deposit of the amount of certain mineral revenues received by the state into the Transportation Trust Fund. Present law provides that the money shall come from the avails of the state sales and use tax on motor vehicles.

Proposed law retains the dedication of mineral revenues in present law but deletes reference to the avails of the state sales and use tax on motor vehicles.

Proposed law creates the Highway Capacity Fund as a special treasury fund and dedicates a portion of the avails of the state sales and use tax on motor vehicles to the Highway Capacity Fund as follows:

<u>Percent</u>	<u>Fiscal Year</u>
20%	2020-2021
40%	2021-2022
60%	2022-2023
80%	2023-2024
100%	2024-2025 and thereafter

Proposed law prohibits the monies in the Highway Capacity Fund from being used for operating costs of the Dept. of Transportation and Development (DoTD) or to be appropriated to state police and allocates monies in the fund on a cost-benefit basis for projects as follows:

<u>Percent range</u>	<u>Purpose</u>
25-50%	Projects with a total cost of \$200 million or more
25-50%	Projects with a total cost of less than \$200 million
25-50%	Safety projects
<=10%	Economic development projects

Proposed law requires DoTD to develop guidelines and formulas for the cost-benefit analysis for review and approval of the Joint Highway Priority Construction Committee and provides for DoTD to develop the final list of projects by July 1, 2020. Further requires DoTD to review the cost-benefit analysis guidelines and formulas for review and approval by the Joint Highway Priority Construction Committee every four years.

Effective July 1, 2018.

(Amends R.S. 47:481 and R.S. 48:77)