2021 Regular Session

HOUSE BILL NO. 511

BY REPRESENTATIVE MCFARLAND

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 create a commission to assess the operations and expenditures of
5	the department; to provide for the membership, powers, functions, and duties of the
6	commission; to provide for audits; to provide funding requirements for the
7	department; to repeal the dedication of certain revenues to the Transportation Trust
8	Fund; to require an online platform for Highway Priority Program information; and
9	to provide for related matters.
10	Be it enacted by the Legislature of Louisiana:
11	Section 1. R.S. 48:77 is hereby amended and reenacted and R.S. 48:71, 72, and
12	229.2 are hereby enacted to read as follows:
13	§71. Commission on Government Reform in Transportation
14	A. There is hereby established the Commission on Government Reform in
15	Transportation for the purpose of assessing the operations, employee salaries and
16	related benefits, and capital project expenditures of the Department of Transportation
17	and Development.
18	B. Members of the commission shall be as follows:
19	(1) The president of the Senate or his designee.

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1	(2) The speaker of the House of Representatives or his designee.		
2	(3) The chairman of the House Committee on Transportation, Highways and		
3	Public Works or his designee.		
4	(4) The chairman of the Senate Committee on Transportation, Highways and		
5	Public Works or his designee.		
6	(5) The commissioner of administration or his designee.		
7	(6) The secretary of the Department of Transportation and Development or		
8	his designee.		
9	(7) Two former unclassified employees of the Department of Transportation		
10	and Development appointed by the governor.		
11	(8) Two at-large members appointed by the president of the Senate.		
12	(9) Two at-large members appointed by the speaker of the House of		
13	Representatives.		
14	(10) A representative of the Public Affairs Research Council of Louisiana.		
15	C. The commission shall elect a chairman and vice chairman from within its		
16	membership. No current state employee or official serving within the executive		
17	branch of state government shall be eligible to serve as chairman or vice chairman.		
18	D. The commission shall study and otherwise concern itself with the		
19	following:		
20	(1) The impacts of legislation enacted as a result of the 2021 Regular Session		
21	of the Legislature and any legislative session thereafter relating to the department's		
22	operations, employee salaries and related benefits, and capital project expenditures.		
23	(2) Any audit published by the legislative auditor relating to the department.		
24	(3) Reports provided by the department concerning self-generated revenues.		
25	(4) The organizational structure of the department as it relates to the efficient		
26	and effective delivery of services to the public.		
27	(5) The operational needs and costs of the department and related means of (5)		
28	financing.		
29	(6) Privatization of any departmental service or function.		

1	(7) The department's operational and strategic planning.	
2	(8) Any matter related to operational or capital budgeting for the department.	
3	(9) Best practices from other states.	
4	(10) Any priority program of the department.	
5	(11) Any other matter as agreed upon by majority vote of the commission.	
6	E. In addition to the matters provided for in Subsection D of this Section, the	
7	commission shall study the forthcoming effects of conversion to electric and hybrid	
8	vehicles on highway funding and develop a detailed recommendation for fully	
9	funding the state's transportation needs through a new fee or tax collection structure.	
10	This recommendation shall be submitted in writing to the House Committee on Ways	
11	and Means and the Senate Committee on Revenue and Fiscal Affairs no later than	
12	<u>December 31, 2024.</u>	
13	F.(1) The department shall provide staff support for the commission. If	
14	deemed necessary by the commission, the department shall also finance and procure	
15	any third-party services sought by the commission in carrying out its purpose.	
16	(2) In procuring any third-party service sought by the commission, the	
17	department shall follow all applicable public bid laws. The selection committee for	
18	any services procured pursuant to this Subsection shall be comprised of five	
19	members of the commission appointed by the chairman but shall not consist of any	
20	current department employees. The department shall provide the selection	
21	committee with proper legal counsel and support.	
22	G. The commission shall meet as frequently as deemed necessary by the	
23	chairman but shall meet no less than quarterly beginning on July 1, 2021, through	
24	July 1, 2023, and shall meet at least once annually thereafter.	
25	H. The commission shall submit a report to the legislature by December	
26	thirty-first of each year summarizing its work, findings, and recommendations for	
27	legislative action, which may include termination of the commission.	

1	<u>§72. Audit requirements</u>
2	A. No later than July 1, 2022, the legislative auditor shall commence a
3	comprehensive audit of the Department of Transportation and Development. The
4	audit shall include, but not be limited to the following:
5	(1) Review of the department's operations and organizational efficiency.
6	(2) Review of the department's use of the avails of the taxes deposited into
7	the Construction Subfund of the Transportation Trust Fund pursuant to the
8	provisions of Article VII, Section 27 of the Constitution of Louisiana.
9	B. The legislative auditor shall present his findings and recommendations to
10	the speaker of the House of Representatives and the president of the Senate no later
11	than September 30, 2023.
12	* * *
13	§77. Transportation Trust Fund; dedication and uses Uses of certain monies for
14	transportation purposes operating expenses
15	A. Beginning Fiscal Year 2017-2018 2021-2022 and each year thereafter, the
16	legislature shall appropriate funding for the Department of Transportation and
17	Development's operating budget from the avails of the taxes imposed by Chapters
18	2, 2-A, and 2-B of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950
19	from the sale, use, lease or rental, the distribution, the consumption, and the storage
20	for use or consumption of motor vehicles which are taxable pursuant to said Chapters
21	2, 2-A, and 2-B. The department shall utilize all other of means of finance to the
22	extent possible prior to utilizing funding pursuant to this Section. Nothing in this
23	Section shall be construed to promote or authorize use of the Construction Subfund
24	of the Transportation Trust Fund for operational costs of the department., and after
25	satisfying the requirements of Article VII, Section 9(B) of the Constitution of
26	Louisiana relative to the Bond Security and Redemption Fund, the treasurer shall
27	deposit an amount equal to an increase in general fund revenues as certified by the
28	Revenue Estimating Conference as being attributable to the provisions of Acts 2015,

1	No. 257, but not in excess of one hundred million dollars per fiscal year, to the funds
2	to be dedicated for use as provided by Subsection B of this Section.
3	B. The monies dedicated pursuant to Subsection A of this Section shall be
4	deposited to the funds specified for the following purposes:
5	(1) The first seventy million dollars of the total monies shall be deposited
6	into the Transportation Trust Fund to be used exclusively for state highway
7	pavement and bridge sustainability projects in accordance with the Department of
8	Transportation and Development definitions of such projects.
9	(2) After compliance with the provisions of Paragraph (1) of this Subsection,
10	ninety-three percent of the remaining monies shall be deposited into the
11	Transportation Trust Fund to be appropriated and expended as follows:
12	(a) Not less than thirty percent shall be dedicated to highway priority
13	program projects classified as capacity projects in accordance with the Department
14	of Transportation and Development definitions of such projects.
15	(b) Twenty-five percent shall be used exclusively for port construction and
16	development priority program projects as provided in Chapter 47 of Title 34 (R.S.
17	34:3451 through 3463).
18	(c) The remainder of the monies after compliance with Subparagraphs (2)(a)
19	and (b) of this Paragraph shall be used exclusively for highway priority projects.
20	Such projects shall be specifically for state highway pavement and bridge
21	sustainability in accordance with the Department of Transportation and Development
22	definitions of such projects.
23	(3) After compliance with the provisions of Paragraph (1) of this Subsection,
24	seven percent of the remaining monies shall be deposited into the Transportation
25	Trust Fund. The monies deposited in the Transportation Trust Fund pursuant to this
26	Paragraph shall be used exclusively for final design and construction and shall not
27	be used for studies.

1	(4) None of the monies deposited into the Transportation Trust Fund
2	pursuant to this Subsection shall be appropriated to the office of state police.
3	* * *
4	§229.2. Highway Priority Program project information; online public access
5	A. No later than January 1, 2022, the department shall develop an online
6	platform in consultation with the American Association of State Highway and
7	Transportation Officials. The platform shall provide the public access to real-time
8	project information including, but not limited to the project's scope, cost, and
9	timeline for completion as well as all means of financing for the each project in the
10	Highway Priority Program. Each project in the Highway Priority Program shall have
11	a designated total cost which shall include a prorated cost associated with third-party
12	services required by the department to create, implement, and maintain the online
13	<u>platform</u>
14	B. The department shall utilize targeted digital technologies to raise public
15	awareness of the online platform, to provide project updates to the public, and to
16	seek the public's input on 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 Original	2021 Regular Session	McFarland

Abstract: Provides for budgetary controls and oversight for the operating budget and capital project expenditures of the Dept. of Transportation and Development (DOTD).

<u>Proposed law</u> establishes the Commission on Government Reform in Transportation for the purpose of assessing DOTD's operations, employee salaries and related benefits, and capital project expenditures.

<u>Proposed law</u> 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 Transportation Trust Fund (TTF).

<u>Present law</u> 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. <u>Proposed law</u> removes this requirement and instead requires the legislature to appropriate the avails of these taxes to DOTD for operational costs.

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<u>Proposed law</u> requires DOTD to utilize all other of means of finance to the extent possible prior to utilizing the funding authorized in proposed law.

<u>Present law</u> 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.

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

<u>Proposed law</u> 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.

<u>Proposed law</u> 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)