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## DIGEST

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HB 545 Original

2021 Regular Session

Hughes

**Abstract:** Provides for the expenditure of money in road transfer agreements and funds to be credited to the Parish Transportation Fund.

Present law requires monies appropriated from the State Highway Improvement Fund be used exclusively by the Dept. of Transportation and Development (DOTD) for funding projects that are ineligible for federal highway funding assistance based on the road being a part of the state highway system but not a part of the federal system. Present law requires these projects include, but not be limited to, design, preventive maintenance, rehabilitation, restoration, and improvement of the state-maintained system of roads. Authorizes these funds to be used to complete all of the preconstruction activities such as planning, survey, design, engineering, right-of-way acquisition, and utility relocations association with such projects.

Proposed law retains present law and authorizes the use of funds to compensate a parish or municipal governing authority for the acceptance of ownership of any road on the state highway system that is not a part of the federal system under present law.

Present law authorizes the secretary of the DOTD, upon request by a parish or municipality indicating its conditions, willingness, and desire to incorporate into the parish or municipal road system a road on the state highway system and to assume the maintenance thereof and with the approval by a majority of the legislative delegation from the parish or municipality, to transfer the road from the state highway system to the parish or municipal road system.

Present law authorizes the DOTD to provide a thing of value, including but not limited to credits towards future construction projects, payment of funds, or satisfaction of debt owed to the department. Present law requires a thing of value equal the amount of the present value of the 40 year projected future maintenance cost of the road to be transferred and may be funded by the DOTD as a capital project.

Present law requires such condition of transfer be reduced to writing by the parties.

Proposed law retains present law and authorizes funds transferred to a parish or municipality be expended on any activity allowed in present law. Authorizes the DOTD to execute such agreement with any parish or municipality.

Present law requires the state treasurer credit to the Parish Transportation Fund the following:

(1) All monies made available for road purposes from funds annually appropriated by the

- legislature according to the Transportation Trust Fund provided in the La. Constitution.
- (2) Any other funds available for use for parish transportation in accordance with legislative appropriation.

Proposed law retains present law and also requires the state treasurer credit to the Parish Transportation Fund compensation made available by the DOTD directly to a parish or municipal governing authority for acceptance of ownership of any road on the state highway system. Requires such compensation be in excess of any funding distributed by the formula under present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 48:196(C) and 224.1(A); Adds R.S. 48:752(3))