

2021 Regular Session

HOUSE BILL NO. 545

BY REPRESENTATIVE HUGHES

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

HIGHWAYS: Provides relative to the Department of Transportation and Development and the State Highway Improvement Fund for the expenditure of money

1 AN ACT

2 To amend and reenact R.S. 48:196(C) and 224.1(A) and to enact R.S. 48:752(3), relative to
3 the Department of Transportation and Development and the State Highway
4 Improvement Fund; to provide for the expenditure of money in road transfer
5 agreements; to provide for funds to be credited to the Parish Transportation Fund;
6 to provide an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 48:196(C) and 224.1(A) are hereby amended and reenacted and R.S.
9 48:752(3) is hereby enacted to read as follows:

10 §196. State Highway Improvement Fund

11 * * *

12 C. Monies appropriated from the fund shall be used exclusively by the
13 Department of Transportation and Development for funding projects for any road
14 which is part of the state highway system but not part of the federal system and, thus,
15 is ineligible for federal highway funding assistance. Such projects shall include but
16 not be limited to design, preventive maintenance, rehabilitation, restoration, and
17 improvement of the state-maintained system of roads. In addition, these funds may
18 be used to complete all of the preconstruction activities such as planning, survey,
19 design, engineering, right-of-way acquisition, and utility relocations ~~association~~
20 associated with such projects. These funds may also be used to compensate a parish

1 or municipal governing authority for the acceptance of ownership of any road on the
2 state highway system that is not part of the federal system pursuant to R.S. 48:224.1.

3 * * *

4 §224.1. Transfer and exchange of state and local roads

5 A. Upon receipt of a proper resolution submitted by a parish or municipal
6 governing authority to the secretary indicating its conditions, willingness, and desire
7 to incorporate into the parish or municipal road system a road on the state highway
8 system and to assume the maintenance thereof and with the approval by a majority
9 of the legislative delegation from such parish or municipality, the secretary may at
10 his discretion accept the resolution and remove the road from the state highway
11 system and it shall thereafter form a part of the parish or municipal road system. As
12 a condition of such transfer, the department may provide a thing of value, including
13 but not limited to credits towards future construction projects, payment of funds, or
14 satisfaction of debt owed to the department. Such thing of value shall be equal to the
15 amount of the present value of the forty-year projected future maintenance cost of
16 the road to be transferred and may be funded by the department as a capital project.
17 Any funds transferred to a parish or municipality as provided in this Subsection may
18 be expended on any activity allowed under R.S. 48:753. Any ~~such~~ condition of
19 transfer shall be reduced to writing by the parties. The department may execute such
20 agreements with any parish or municipality.

21 * * *

22 §752. Composition of the fund

23 The state treasurer shall credit to the Parish Transportation Fund, ~~herein~~
24 created by R.S. 48:751 et seq., the following:

25 * * *

26 (3) Compensation made available by the Department of Transportation and
27 Development directly to a parish or municipal governing authority for acceptance of
28 ownership of any road on the state highway system. This compensation shall be in
29 excess of any funding distributed pursuant to R.S. 48:756.

1 Section 2. This Act shall become effective upon signature by the governor or, if not
2 signed by the governor, upon expiration of the time for bills to become law without signature
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
5 effective on the day following such approval.

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 545 Engrossed

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 to 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 to 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 associated 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 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 of 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 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 to 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 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 to be expended on any activity allowed in present law. Authorizes DOTD to execute such agreement with any parish or municipality.

Present law requires the state treasurer to 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 by present 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 to credit to the Parish Transportation Fund compensation made available by DOTD directly to a parish or municipal governing authority for acceptance of ownership of any road on the state highway system. Requires such compensation to 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))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Make a technical change.