

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 repeal the dedication of certain revenues to the  
7 Transportation Trust Fund; to dedicate those revenues to the Construction Subfund  
8 of the Transportation Trust Fund; to require an online platform for Highway Priority  
9 Program information; and 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.

- 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  
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          December 31, 2024.
- 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 committee  
21          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           (4) For Fiscal Year 2024-2025, forty percent of the avails shall be deposited  
2           into the subfund.

3           (5) For Fiscal Year 2025-2026, fifty percent of the avails shall be deposited  
4           into the subfund.

5           (6) For Fiscal Year 2026-2027, sixty percent of the avails shall be deposited  
6           into the subfund.

7           (7) For Fiscal Year 2027-2028, seventy percent of the avails shall be  
8           deposited into the subfund.

9           (8) For Fiscal Year 2028-2029, eighty percent of the avails shall be deposited  
10          into the subfund.

11          (9) For Fiscal Year 2029-2030, ninety percent of the avails shall be deposited  
12          into the subfund.

13          (10) For Fiscal Year 2030-2031 and each fiscal year thereafter, one hundred  
14          percent of the avails shall be deposited into the subfund. ~~satisfying the requirements~~  
15          ~~of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond~~  
16          ~~Security and Redemption Fund, the treasurer shall deposit an amount equal to an~~  
17          ~~increase in general fund revenues as certified by the Revenue Estimating Conference~~  
18          ~~as being attributable to the provisions of Acts 2015, No. 257, but not in excess of~~  
19          ~~one hundred million dollars per fiscal year, to the funds to be dedicated for use as~~  
20          ~~provided by Subsection B of this Section.~~

21                 ~~B. The monies dedicated pursuant to Subsection A of this Section shall be~~  
22                 ~~deposited to the funds specified for the following purposes:~~

23                         ~~(1) The first seventy million dollars of the total monies shall be deposited~~  
24                         ~~into the Transportation Trust Fund to be used exclusively for state highway~~  
25                         ~~pavement and bridge sustainability projects in accordance with the Department of~~  
26                         ~~Transportation and Development definitions of such projects.~~

27                         ~~(2) After compliance with the provisions of Paragraph (1) of this Subsection,~~  
28                         ~~ninety-three percent of the remaining monies shall be deposited into the~~  
29                         ~~Transportation Trust Fund to be appropriated and expended as follows:~~

1           ~~(a) Not less than thirty percent shall be dedicated to highway priority~~  
2 ~~program projects classified as capacity projects in accordance with the Department~~  
3 ~~of Transportation and Development definitions of such projects.~~

4           ~~(b) Twenty-five percent shall be used exclusively for port construction and~~  
5 ~~development priority program projects as provided in Chapter 47 of Title 34 (R.S.~~  
6 ~~34:3451 through 3463).~~

7           ~~(c) The remainder of the monies after compliance with Subparagraphs (2)(a)~~  
8 ~~and (b) of this Paragraph shall be used exclusively for highway priority projects.~~  
9 ~~Such projects shall be specifically for state highway pavement and bridge~~  
10 ~~sustainability in accordance with the Department of Transportation and Development~~  
11 ~~definitions of such projects.~~

12           ~~(3) After compliance with the provisions of Paragraph (1) of this Subsection,~~  
13 ~~seven percent of the remaining monies shall be deposited into the Transportation~~  
14 ~~Trust Fund. The monies deposited in the Transportation Trust Fund pursuant to this~~  
15 ~~Paragraph shall be used exclusively for final design and construction and shall not~~  
16 ~~be used for studies.~~

17           ~~(4) None of the monies deposited into the Transportation Trust Fund~~  
18 ~~pursuant to this Subsection shall be appropriated to the office of state police.~~

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20           §229.2. Highway Priority Program project information; online public access

21           A. No later than January 1, 2022, the department shall develop an online  
22 platform in consultation with the American Association of State Highway and  
23 Transportation Officials. The platform shall provide the public access to real-time  
24 project information including, but not limited to the project's scope, cost, and  
25 timeline for completion as well as all means of financing for each project in the  
26 Highway Priority Program. Each project in the Highway Priority Program shall have  
27 a designated total cost which shall include a prorated cost associated with third-party  
28 services required by the department to create, implement, and maintain the online  
29 platform.

1                    B. The department shall utilize targeted digital technologies to raise public  
2                    awareness of the online platform, to provide project updates to the public, and to  
3                    seek the public's input on projects.

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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)]

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HB 511 Engrossed

2021 Regular Session

McFarland

**Abstract:** Provides for study and review of the operating budget and capital project expenditures of the Dept. of Transportation and Development (DOTD) and dedicates the sales and use tax for motor vehicles to the Construction Subfund of the Transportation Trust Fund (TTF).

Proposed law 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.

Proposed law 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 TTF.

Present law 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. Proposed law removes this requirement and instead requires the legislature to deposit the avails of these taxes into the Construction Subfund of the TTF as follows:

- (1) For FY 2021-2022, 10% of the avails shall be deposited into the subfund.
- (2) For FY 2022-2023, 20% of the avails shall be deposited into the subfund.
- (3) For FY 2023-2024, 30% of the avails shall be deposited into the subfund.
- (4) For FY 2024-2025, 40% of the avails shall be deposited into the subfund.
- (5) For FY 2025-2026, 50% of the avails shall be deposited into the subfund.
- (6) For FY 2026-2027, 60% of the avails shall be deposited into the subfund.
- (7) For FY 2027-2028, 70% of the avails shall be deposited into the subfund.
- (8) For FY 2028-2029, 80% of the avails shall be deposited into the subfund.
- (9) For FY 2029-2030, 90% of the avails shall be deposited into the subfund.
- (10) For FY 2030-2031, and each fiscal year thereafter, 100% of the avails shall be deposited into the subfund.

Present law 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.

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

Proposed law 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.

Proposed law 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)

Summary of Amendments Adopted by House

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

1. Delete the requirement that the legislature appropriate funding for DOTD's operating budget from the avails of taxes from the sale, use, lease or rental, distribution, consumption, and storage for use or consumption of motor vehicles.
2. Require the deposit of the avails of taxes from the sale, use, lease or rental, distribution, consumption, and storage for use or consumption of motor vehicles into the Construction Subfund of the TTF, beginning with 10% for FY 2021-2022 and increasing to 100% for FY 2030-2031 and each fiscal year thereafter.