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## DIGEST

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HB 615 Engrossed

2021 Regular Session

Freiberg

**Abstract:** Levies an annual tax on electric and hybrid vehicles and dedicates the avails of the new tax to the Construction Subfund of the Transportation Trust Fund.

Proposed law levies an annual tax of \$400 per year on each electric vehicle and an annual tax of \$275 per year on each hybrid vehicle operated on state highways which are required to be registered and to pay registration license tax in accordance with present law. Further requires the commissioner of motor vehicles to collect the tax levied in proposed law every two years at the same time and in the same manner as the registration license tax pursuant to present law.

Proposed law defines "electric vehicle" as a vehicle powered by one or more electric motors or energy stored in rechargeable batteries for propulsion and defines "hybrid vehicle" as a vehicle that uses gasoline, diesel fuel, or special fuels in combination with an electric motor for propulsion.

Proposed law requires the avails of the annual taxes levied on electric and hybrid vehicles to be deposited into the Construction Subfund of the TTF pursuant to the requirements of present constitution. Further requires the Dept. of Transportation and Development (DOTD) to utilize the avails of the taxes levied pursuant to proposed law which are deposited into the Construction Subfund as follows:

- (1) 80% of the avails to be utilized on highway and bridge preservation projects included in the Highway Priority Program.
- (2) 20% of the avails to be utilized on Highway Priority Program projects classified as capacity projects.

Proposed law, with respect to capacity projects, requires the secretary to prioritize and construct the following mega projects based on the completion of each project's federally mandated environmental process and requirements:

- (1) Replacement of the I-10 Calcasieu River bridge and I-10 improvements from the I-210 interchange west of the river to the I-210 interchange east of the river.
- (2) A new Mississippi River Bridge at Baton Rouge with freeway-level connections from the interstate west of Baton Rouge to the interstate east of Baton Rouge.
- (3) Upgrades to US 90 to interstate standards from the I-10 and I-49 interchange at Lafayette to

New Orleans.

- (4) Widening of I-12 to six lanes and associated improvements where this interstate is not yet upgraded from Baton Rouge to the Mississippi state line.
- (5) A new, four lane Jimmie Davis Bridge on LA 511 across the Red River in Shreveport-Bossier.
- (6) Widening to six lanes and associated improvements to I-20 at Monroe from LA 546 to LA 594.
- (7) US 90, Port of New Orleans access improvements with improved and maintained interstate lighting in New Orleans.
- (8) Alexandria-Pineville Beltway, Segments E, F, G, H, and I from LA 28 East to LA 28 West.

Proposed law requires, no later than Jan. 1, 2022, the total cost of projects in the Highway Priority Program to include the prorated cost associated with third-party services required by DOTD to create, implement, and maintain an online platform, through which the public will have access to real-time project information including the project's scope, cost, and time-line for completion as well as all means of financing for the project. Further requires the online platform to be developed in consultation with the American Association of State Highway and Transportation Officials.

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.

Proposed law requires the avails of the annual tax on electric and hybrid vehicles to be allocated to maximize the state's share of federal funding for construction projects in each fiscal year and prohibits a reduction in funding for the Parish Transportation Fund, the Port Construction and Development Priority Program, or the Statewide Flood Control Program below funding levels for these programs appropriated in the FY 2020-2021 budget.

Proposed law requires the legislative auditor to commence a comprehensive audit of DOTD no later than July 1, 2022, to review the department's operations and organizational efficiency to ensure that DOTD can perform all of its required operations and functions within the funding provided for in present and proposed law and to review DOTD's use of the avails of the taxes deposited into the Construction Subfund of the TTF. Further requires the auditor to present its findings and recommendations to the presiding officers of the House and Senate no later than Sept. 30, 2023.

Proposed law requires DOTD to establish a rural bridge repair and replacement program for bridge projects included in the Highway Priority Program. Further requires DOTD to prioritize bridge repair and replacement projects within the program to those which expand public and commercial access to rural communities. Funding for this program shall be provided from the proceeds of the annual tax on electric and hybrid vehicles.

Authorizes proposed law to be referred to as the Government Reform in Transportation Act of 2021.

Effective July 1, 2022.

(Adds R.S. 47:2811 and R.S. 48:229.2 and 229.3)

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Remove provisions of proposed law that gradually decrease the existing per gallon tax on gasoline, diesel, and special fuels beginning July 1, 2021, through June 30, 2025, from 16¢ per gallon to 13¢ per gallon, and beginning July 1, 2025, from 13¢ per gallon to 12¢ per gallon.
2. Remove provisions of proposed law that levy a *new, additional tax* on gasoline, diesel, and special fuels the rate of which gradually increases over a period of 12 years beginning July 1, 2021, at 13¢ per net gallon or gallon equivalent to July 1, 2033, and thereafter at 26¢ per net gallon or gallon equivalent.
3. Change the allocation of the avails of the annual tax on electric and hybrid vehicles from 60% on highway and bridge preservation projects included in the Highway Priority Program and 40% on Highway Priority Program projects classified as capacity projects to 80% on highway and bridge preservation projects included in the Highway Priority Program and 20% on Highway Priority Program projects classified as capacity projects.
4. Change the effective date from July 1, 2025, to July 1, 2022.