

## RÉSUMÉ DIGEST

ACT 325 (HB 545)

2021 Regular Session

Hughes

Existing law (R.S. 48:196) 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. Further requires these projects to include, but not be limited to, design, preventive maintenance, rehabilitation, restoration, and improvement of the state-maintained system of roads. Additionally, authorizes these monies 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.

New law further authorizes the use of fund monies 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 existing law.

Existing law (R.S. 48:224.1) 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. New law provides that DOTD may execute a transfer to or exchange agreement with any parish or municipality.

Existing law authorizes DOTD to provide a thing of value as a condition of such a transfer, including but not limited to credits towards future construction projects, payment of funds, or satisfaction of debt owed to the department. Requires that the thing of value be 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. Requires any condition of transfer to be reduced to writing by the parties.

New law further authorizes funds transferred to a parish or municipality as part of a transfer of a road to be expended on any activity authorized by existing law for use of Parish Transportation Fund monies.

Existing law (R.S. 48: 752) 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 existing constitution.
- (2) Any other funds available for use for parish transportation in accordance with legislative appropriation.

New law further requires the state treasurer to credit to the Parish Transportation Fund any 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 pursuant to existing law.

Effective upon signature of governor (June 14, 2021).

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