

2022 Regular Session

SENATE BILL NO. 187

BY SENATOR MCMATH

FUNDS/FUNDING. Provides for the funding of certain projects from the Nonstate Road Projects Fund in the Construction Subfund. (7/1/23)

1 AN ACT

2 To amend and reenact R.S. 48:77(D) and (E), and to enact R.S. 48:77(F), relative to the

3 creation of a special fund within the Construction Subfund entitled the Nonstate

4 Road Projects Fund; to provide for the transfer, dedication, deposit, investment, and

5 use, as specified, of the monies in the Nonstate Road Projects Fund; to provide for

6 an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 48:77(D) and (E) are hereby amended and reenacted and R.S.

9 48:77(F) is hereby enacted to read as follows:

10 §77. Transportation Trust Fund; dedication and uses of certain monies to the

11 Construction Subfund

12 * * *

13 D. The Department of Transportation and Development shall utilize an

14 amount not less than ~~twenty-five~~ **fifteen** percent of the remaining monies on highway

15 and bridge preservation projects included in the highway priority program pursuant

16 to the Department of Transportation and Development's definition of highway and

17 bridge preservation projects. Of the monies utilized by the Department of

1 Transportation and Development pursuant to this Subsection, an amount of five
2 percent, not to exceed ten million dollars, shall be utilized for projects authorized
3 pursuant to the provisions of R.S. 48:224.1.

4 E. (1) An amount not less than ten percent of the remaining monies to be
5 deposited into the subfund shall be deposited into the Nonstate Road Projects
6 Fund, which is hereby created as a subfund of the Construction Subfund in the
7 state treasury for use by the Department of Transportation and Development
8 as provided in this Subsection.

9 (2) All unexpended and unencumbered monies in the Nonstate Road
10 Projects Fund at the end of the fiscal year shall remain in the Nonstate Road
11 Projects Fund. Monies in the Nonstate Road Projects Fund shall be invested by
12 the state treasurer in the same manner as those in the state general fund, and
13 any interest earned on the investment of monies in the Nonstate Road Projects
14 Fund shall be credited to the Nonstate Road Projects Fund.

15 (3) Monies in the Nonstate Road Projects Fund shall be available for
16 appropriation to the Department of Transportation and Development,
17 hereinafter referred to as the "department". Such appropriations shall be used
18 by the secretary of the department for all or a portion of maintenance and
19 safety projects for nonstate local roads, highways, or bridges with construction
20 estimates of one million dollars or less. The secretary of the department shall
21 develop the form of the request to be used by the governing authority of a
22 political subdivision to request the secretary for state assistance for
23 maintenance and safety projects for nonstate local roads, highways, or bridges.
24 The secretary of the department shall annually prepare a list of the projects the
25 secretary proposes to be funded from the Nonstate Road Projects Fund, and
26 shall allocate the projects among the nine state highway districts as equitably
27 as possible. The secretary shall then submit the list to the Senate and House
28 Committees on Transportation, Highways and Public Works who shall meet
29 jointly to review and approve the list proposed by the secretary. The committees

1 may revise the list, provided that all projects shall be maintenance and safety
 2 projects for nonstate local roads, highways, or bridges with construction
 3 estimates of one million dollars or less for which the governing authority of the
 4 political subdivision where the project is located has submitted a request for
 5 state assistance and the projects are allocated as equally as possible among the
 6 nine state highway districts.

7 (4) Monies in the Nonstate Road Projects Fund shall not be used as the
 8 security for debt issued by the state nor shall monies in the Nonstate Road
 9 Projects Fund be used for the payment of debt secured by the Construction
 10 Subfund nor the Transportation Trust Fund.

11 F. In any fiscal year, neither the state nor any agency shall issue debt in the
 12 aggregate in excess of one hundred fifty million dollars that is secured by any monies
 13 deposited into the subfund pursuant to the provisions of this Section.

14 Section 2. This Act shall become effective on July 1, 2023; if vetoed by the governor
 15 and subsequently approved by the legislature, this Act shall become effective on the day
 16 following such approval by the legislature or July 1, 2023, whichever is later.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Martha S. Hess.

	DIGEST	
SB 187 Original	2022 Regular Session	McMath

Present law provides that beginning FY 2023-2024, 30% of the avails of the taxes from the sale, use, or lease of motor vehicles taxable pursuant to present law shall be deposited into the Construction Subfund of the Transportation Trust Fund (subfund). Provides that for FY 2024-2025 and each fiscal year thereafter, 60% of the avails of the taxes from the sale, use, or lease of motor vehicles taxable pursuant to existing law shall be deposited into the subfund.

Present law further provides that the Dept. of Transportation and Development (department) shall utilize up to 75% of the monies deposited into the subfund pursuant to present law on certain enumerated mega projects.

Proposed law retains present law.

Present law requires the department to utilize an amount not less than 25% of the remaining money deposited into the subfund pursuant to present law on highway and bridge preservation projects included in the present law highway priority program.

Proposed law reduces the percent of the monies deposited into the subfund to be used on highway and bridge preservation projects included in the present law highway priority

program from 25% to 15%.

Proposed law provides that all unexpended and unencumbered monies in the Nonstate Road Projects Fund at the end of the fiscal year shall remain in the Nonstate Road Projects Fund. Monies in the Nonstate Road Projects Fund shall be invested by the state treasurer in the same manner as those in the state general fund, and any interest earned on the investment of monies in the fund shall be credited to the Nonstate Road Projects Fund.

Proposed law further provides that monies in the Nonstate Road Projects Fund shall be available for appropriation to the department. Such appropriations shall be used by the secretary of the department for all or a portion of maintenance and safety projects for nonstate local road, highway, or bridge projects with construction estimates of \$1,000,000 or less.

Proposed law provides that the secretary of the department shall develop the form of the request to be used by the governing authority of a political subdivision to request the secretary for state assistance for maintenance and safety projects for nonstate local roads, highways, or bridges. The secretary of the department shall annually prepare a list of the projects the secretary proposes to be funded from the Nonstate Road Projects Fund, and shall allocate the projects among the nine state highway districts as equitably as possible.

Proposed law further provides that the secretary shall then submit the list to the Senate and the House Committees on Transportation, Highways and Public Works, who shall meet jointly to review and approve the list proposed by the secretary. The committees acting jointly may revise the list provided that all projects shall be maintenance and safety projects for nonstate local road, highway, or bridge projects with construction estimates of \$1,000,000 or less and the projects are allocated as equitably as possible among the nine state highway districts.

Proposed law prohibits the monies in the Nonstate Road Projects Fund to be used as the security for debt issued by the state nor shall monies in the Nonstate Road Projects Fund be used for the payment of debt secured by the Construction Subfund nor the Transportation Trust Fund.

Effective July 1, 2023.

(Amends R.S. 48:77(D) and (E); adds R.S. 48:77(F))