
DIGEST

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HB 1031 Reengrossed

2022 Regular Session

Freiberg

Abstract: Levies a road usage fee for electric and hybrid vehicles and provides for the administration, collection, disposition and use of road usage fees. Provides for an exemption of a school bus from imposed fees.

Proposed law levies a road usage fee not to exceed \$110 per year on each electric vehicle and an annual road usage fee not to exceed \$60 per year on each hybrid vehicle operated on state highways which are required to be registered and to pay a vehicle registration license tax in accordance with present law.

Proposed law exempts an electric vehicle or hybrid vehicle that is a school bus primarily used to transport La. students from the fee imposed by proposed law.

Proposed law defines the following terms:

- (1) "Electric vehicle" means a vehicle powered by one or more electric motors or energy stored in rechargeable batteries for propulsion.
- (2) "Hybrid vehicle" means a vehicle that uses gasoline, diesel fuel, or special fuels in combination with an electric motor for propulsion.
- (3) "Owner" has the same meaning as defined by present law.
- (4) "Secretary" means the secretary of the Louisiana Department of Revenue.

Proposed law requires the administration and collection of the road usage fee.

Proposed law requires the fees imposed by proposed law be paid by the owner of the electric vehicle and the owner of the hybrid vehicle on a calendar year basis. Further requires the fee be due on or before May 15th for the preceding year in which the electric vehicle or hybrid vehicle was operated upon the highways of this state.

Proposed law requires the secretary to administer and to authorize the collection of fees imposed by proposed law with all the duties and powers authorized by present law.

Proposed law requires the secretary of the Dept. of Revenue in consultation with the secretary of the Dept. of Transportation and Development to promulgate rules in accordance with the Administrative

Procedure Act relative to the following:

- (1) To develop a prorated fee schedule applicable to electric vehicles and hybrid vehicles that are operated upon the highways of this state for less than one year. Provides that the fee schedule may consider mileage, weight, days operated, and other relevant factors to reasonably determine a fee that is commensurate and in proportion with actual road usage in this state.
- (2) To prescribe and publish returns, forms, schedules, and methods upon which the fee levied pursuant to proposed law may be reported and remitted to the secretary, including through the use of existing returns, forms, and schedules.
- (3) To provide for collection and administrative procedures that the secretary determines necessary to administer proposed law.

Proposed law requires proceeds of the fees imposed by proposed law be deposited as follows:

- (1) 70% of the proceeds be deposited into the Construction Subfund of the Transportation Trust Fund for use by the Department of Transportation and Development (DOTD) on road and bridge preservation projects included in the Highway Priority Program in accordance with the DOTD's definitions of such projects.
- (2) 30% of the proceeds be deposited into the Parish Transportation Fund and distributed to local governments in accordance with the formula set forth in present law. Further provides the amounts distributed may be used by local governments for any purpose that is a permitted use of funds received from the Parish Transportation Fund.

Effective January 1, 2023.

(Adds R.S. 32:461)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Transportation, Highways and Public Works to the original bill:

1. Make a technical change.
2. Change the road usage fee from \$400 to \$110 per year on each electric vehicle.
3. Change the road usage fee from \$275 to \$60 per year on each hybrid vehicle.
4. Remove a provision that required the commissioner of the office of motor vehicles to collect a tax every two years at the same time and in the same manner as the registration license tax.

5. Remove a provision that required the Department of Transportation and Development (DOTD) used 100% of the electric and hybrid vehicle road usage fee on highway and bridge preservation projects included in the Highway Priority program.
6. Add a provision that requires the Dept. of Revenue to require each person filing an individual income tax return to report and certify on such return the number of electric vehicles and the number of hybrid vehicles registered in this state and owned by the filer. Further require the collection of fees imposed at the same time and in the same manner as it collects taxes owed in connection with the individual income tax return filed by the owner of an electric or hybrid vehicle.
7. Modify a provision relative to the disposition and use fees. Further specifies fees are to be allocated as follows:
 - (a) Seventy percent of the proceeds be deposited into the Construction Subfund of the Transportation Trust Fund for use by the DOTD on road and bridge preservation projects included in the Highway Priority Program in accordance with the DOTD's definitions of such projects.
 - (b) Thirty percent of the proceeds be deposited into the Parish Transportation Fund and distributed to local governments in accordance with the formula. Further provides the amounts distributed may be used by local governments for any purpose that is a permitted use of funds received from the Parish Transportation Fund.

The House Floor Amendments to the engrossed bill:

1. Make technical changes.
2. Specify that the road usage fee for an electric vehicle is up to \$110 per year. Further specify that the road usage fee for a hybrid vehicle is up to \$60 per year.
3. Exempt an electric vehicle or hybrid vehicle that is a school bus primarily used to transport Louisiana students from the imposed fees.
4. Remove the provision that required the Dept. of Revenue to require each person filing an individual income tax return to report and certify on such return the number of electric vehicles and the number of hybrid vehicles registered in this state and owned by the filer. Further required the collection of fees imposed at the same time and in the same manner as it collects taxes owed in connection with the individual income tax return filed by the owner of an electric or hybrid vehicle.
5. Define the terms "owner" and "secretary".
6. Add a provision that requires the administration and collection of the road usage fee.

7. Require the fees imposed be paid by the owner of the electric vehicle and the owner of the hybrid vehicle on a calendar year basis. Further requires the fee be due on or before May 15th for the preceding year in which the electric vehicle or hybrid vehicle was operated upon the highways of this state.
8. Require the secretary to administer and to authorize the collection of fees with all the duties and powers authorized by present law.
9. Require the secretary of the Dept. of Revenue in consultation with the secretary of the Dept. of Transportation and Development to promulgate rules in accordance with the Administrative Procedure Act relative to the following:
 - (a) To develop a prorated fee schedule applicable to electric vehicles and hybrid vehicles that are operated upon the highways of this state for less than one year. Provides that the fee schedule may consider mileage, weight, days operated, and other relevant factors to reasonably determine a fee that is commensurate and in proportion with actual road usage in this state.
 - (b) To prescribe and publish returns, forms, schedules, and methods upon which the fee levied may be reported and remitted to the secretary, including through the use of existing returns, forms, and schedules.
 - (c) To provide for the collection and administrative procedures that the secretary determines necessary to administer.
10. Add a special effective date of January 1, 2023.