2017 Regular Session

HOUSE BILL NO. 354

## BY REPRESENTATIVE THIBAUT

## TAX/GASOLINE TAX: (Constitutional Amendment) Provides relative to the dedication of proceeds of the tax levied on motor fuels

1	A JOINT RESOLUTION
2	Proposing to amend Article VII, Section 27(B) of the Constitution of Louisiana, relative to
3	the Transportation Trust Fund; to establish the Construction Subfund; to provide for
4	the use of the monies deposited into the fund; to provide for effectiveness; to provide
5	for submission of the proposed amendment to the electors; and to provide for related
6	matters.
7	Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
8	elected to each house concurring, that there shall be submitted to the electors of the state of
9	Louisiana, for their approval or rejection in the manner provided by law, a proposal to
10	amend Article VII, Section 27(B) of the Constitution of Louisiana, to read as follows:
11	§27. Transportation Trust Fund
12	Section 27.(A)
13	* * *
14	(B)(1) Except as provided for in Subparagraph (2) of this Paragraph, the The
15	monies in the trust fund shall be appropriated or dedicated solely and exclusively for
16	the costs for and associated with construction and maintenance of the roads and
17	bridges of the state and federal highway systems, the Statewide Flood-Control
	Drogram or its successor ports simparts transit state relies for theffic control
18	Program or its successor, ports, airports, transit, state police for traffic control
18 19	purposes, and the Parish Transportation Fund or its successor and for the payment

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1 issuance, security, and payment in respect of bonds or other obligations payable from 2 the trust fund as authorized in Paragraph (D) hereof. Unless pledged to the 3 repayment of bonds authorized in Paragraphs (C) or (D) of this Section, the monies in the trust fund allocated to ports, airports, flood control, parish transportation, and 4 5 state highway construction shall be appropriated annually by the legislature only 6 pursuant to programs established by law which establish a system of priorities for the 7 expenditure of such monies, except that the Transportation Infrastructure Model for 8 Economic Development, which shall include only those projects enumerated in 9 House Bill 17 of the 1989 First Extraordinary Session of the Legislature\* and US 10 Highway 61 from Thompson Creek to the Mississippi Line, in lieu of "US 61-Bains 11 to Mississippi Line", and US Highway 165 from I-10 to Alexandria to Monroe to 12 Bastrop and thence on US Highway 425 from Bastrop to the Arkansas Line, in lieu 13 of "US 165-I-10 Alexandria-Monroe-Bastrop-Arkansas Line" and LA 15-Natchez, 14 Mississippi to Chase in lieu of "LA 15-Natchez, Mississippi to Monroe", shall be 15 funded as provided by law. The state generated tax monies appropriated for ports, 16 Parish Transportation Fund, or its successor, and the Statewide Flood-Control 17 Program, or its successor, and state police for traffic control purposes shall not 18 exceed twenty percent annually of the state generated tax revenues in the trust fund; 19 provided, however, that no less than the avails of one cent of the tax on gasoline and 20 special fuels shall be appropriated each year to the Parish Transportation Fund, or its 21 successor. The annual appropriation for airports shall be a sum equal to, but not 22 greater than, the annual estimated revenue to be derived from the state taxes to be 23 collected and received on aviation fuel. Unencumbered and unexpended balances 24 at the end of each fiscal year shall remain in the trust fund. The earnings realized in 25 each fiscal year on the investment of monies in the trust fund shall be deposited in 26 and credited to the trust fund.

27 (2) There is hereby established in the Transportation Trust Fund a special
28 subfund to be known as the "Construction Subfund", hereinafter referred to as "the
29 subfund", in which shall be deposited the avails of any new taxes enacted and levied

1	on gasoline, motor fuels, or special fuels on or after July 1, 2017. The monies in the
2	subfund shall be appropriated and dedicated solely for the direct costs associated
3	with actual construction and maintenance of the roads and bridges of the state. The
4	monies in the subfund that are appropriated by the legislature to the Department of
5	Transportation and Development, or its successor, shall not be utilized by the
6	department as funding for any administrative costs for operation of the department
7	including, but not limited to the payment of employee wages and related benefits or
8	employee retirement benefits.
9	* * *
10	Section 2. Be it further resolved that this proposed amendment shall be submitted
11	to the electors of the state of Louisiana at the statewide election to be held on October 14,
12	2017.
13	Section 3. Be it further resolved that on the official ballot to be used at the election,
14	there shall be printed a proposition, upon which the electors of the state shall be permitted
15	to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
16	follows:
17	Do you support an amendment to prohibit a portion of the avails of the tax
18	levied on gasoline, diesel, and special fuels from being used by the
19	Department of Transportation and Development to pay for operation of the
20	department and any of the avails of the tax being used by state police for
21	traffic control purposes? (Effective November 1, 2017) (Amends Article VII,
22	Section 27(B))

## 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)]

**Abstract:** Establishes the "Construction Subfund" of the Transportation Trust Fund and dedicates the proceeds thereof.

<u>Present constitution</u> establishes the Transportation Trust Fund (TTF) as a special treasury fund and requires that all state taxes levied on gasoline and motor fuels be deposited

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annually into the fund. The current state excise taxes on gasoline and motor fuels total  $20\phi$  per gallon. Monies in the fund are used to provide for construction and maintenance of roads and bridges of the state and federal highway systems, the Statewide Flood-Control Program, ports, airports, transit, state police for traffic control purposes, and the Parish Transportation Fund.

<u>Proposed constitution</u> prohibits the use of any of the monies in the Transportation Trust Fund from being used by state police for traffic control.

<u>Proposed constitution</u> establishes the "Construction Subfund" as a special subfund within the Transportation Trust Fund and requires the avails of any new tax levied on gasoline, diesel, and special motor fuels enacted on or after July 1, 2017 to be deposited in the subfund for use on direct costs associated with the construction and maintenance of roads and bridges of the state.

<u>Proposed constitution</u> prohibits any monies in the subfund from being used by the Dept. of Transportation and Development for administrative costs to operate the department.

Provides for submission of the proposed amendment to the voters at the statewide election to be held October 14, 2017.

(Amends Const. Art. VII, §27(B))