

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 the sources and uses of
5 monies in the subfund; to provide for effectiveness; to provide for submission of the
6 proposed amendment to the electors; and to provide for related 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
18 Program or its successor, ports, airports, transit, ~~state police for traffic control~~
19 purposes; and the Parish Transportation Fund or its successor and for the payment

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

28 (2) There is hereby established in the Transportation Trust Fund a special
29 subfund to be known as the "Construction Subfund", hereinafter referred to as "the

subfund", in which shall be deposited the avails of any new taxes that become effective and are levied on gasoline, motor fuels, or special fuels on or after July 1, 2017. The monies in the subfund shall be appropriated and dedicated solely for the direct costs associated with actual project delivery, construction, and maintenance of transportation and capital transit infrastructure projects of the state and local government. The monies in the subfund that are appropriated by the legislature to the Department of Transportation and Development, or its successor, shall not be utilized by the department as funding for any administrative costs for operation of the department, including but not limited to the payment of employee wages and related benefits or employee retirement benefits.

15 Section 3. Be it further resolved that on the official ballot to be used at the election,
16 there shall be printed a proposition, upon which the electors of the state shall be permitted
17 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
18 follows:

19 Do you support an amendment that would prohibit using any tax levied on
20 gasoline, diesel, and special fuels from being used by state police for traffic
21 control purposes, and to dedicate any new tax levied on gasoline, diesel, and
22 special fuels into the Construction Subfund, which shall be used for project
23 delivery, construction, and maintenance of transportation and capital transit
24 infrastructure projects and not for administrative costs of the Department of
25 Transportation and Development? (Effective November 1, 2017) (Amends
26 Article VII, 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)]

HB 354 Reengrossed

2017 Regular Session

Thibaut

Abstract: Removes authority of using Transportation Trust Fund (TTF) monies for state police and deposits new gasoline and fuel taxed into the newly created "Construction Subfund". Prohibits spending the subfund on administrative costs of the Dept. of Transportation and Development.

Present constitution 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 annually into the fund. The current state excise taxes on gasoline and motor fuels total 20¢ 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.

Proposed constitution prohibits the use of any of the monies in the TTF from being used by state police for traffic control.

Proposed constitution establishes the "Construction Subfund" as a special subfund within the TTF and requires the avails of any new tax levied on gasoline, diesel, and special motor fuels that become effective on or after July 1, 2017, to be deposited in the subfund for use on direct costs associated with actual project delivery, construction, and maintenance of transportation and capital transit infrastructure projects of the state and local government.

Proposed constitution 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 Oct. 14, 2017.

(Amends Const. Art. VII, §27(B))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Change deposits into subfund from avails of new taxes enacted on or after July 1, 2017, to avails of new taxes effective on or after July 1, 2017.
2. Change the purposes of the use of the subfund to include project delivery and to apply to state and local transportation and capital infrastructure projects instead of roads and bridges.
3. Make technical changes.
4. Change ballot language.

The Committee Amendments Proposed by House Committee on Civil Law and Procedure to the engrossed bill:

1. Change the ballot language.