

2019 Regular Session

HOUSE BILL NO. 414

BY REPRESENTATIVE DAVIS

FUNDS/FUNDING: Dedicates certain state sales and use tax revenues for deposit into the Construction Subfund of the Transportation Trust Fund

1 AN ACT

2 To enact R.S. 47:319, relative to state sales and use tax revenues; to dedicate state sales and
3 use tax revenues for deposit into the Construction Subfund of the Transportation
4 Trust Fund under certain circumstances; to require notifications; to provide for
5 exceptions and limitations; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:319 is hereby enacted to read as follows:

8 §319. Disposition of collections; Construction Subfund of the Transportation Trust
9 Fund

10 A. Once a Louisiana Comprehensive Annual Financial Report is published
11 that reports that the amount of state "General Revenues from Sales and Use Taxes"
12 has exceeded three billion nine hundred million dollars for two consecutive years,
13 beginning in the next fiscal year, the amount exceeding three billion nine hundred
14 million dollars from the prior fiscal year, up to two hundred fifty million dollars,
15 from the sales and use taxes imposed under this Chapter, Chapter 2-A, and Chapter
16 2-B shall be deposited into the Construction Subfund of the Transportation Trust
17 Fund as provided in Subsection B of this Section. Within thirty days of publication
18 of that report, the commissioner of administration shall provide written notification
19 to the governor, the legislature, and the state treasurer that the threshold for
20 commencement of this dedication has been met.

1 B. Beginning on the first day of July following the notification by the
2 commissioner of administration, and for each fiscal year thereafter, after satisfaction
3 of the requirements of Article VII, Section 9(B) of the Constitution of Louisiana
4 concerning the Bond Security and Redemption Fund, and after satisfaction of the
5 requirements of Article VII, Section 10.3(A)(1) of the Constitution of Louisiana
6 concerning the deposit of monies in excess of the expenditure limit into the Budget
7 Stabilization Fund, the state treasurer shall deposit into the Construction Subfund of
8 the Transportation Trust Fund all state sales and use tax revenues collected in each
9 fiscal year that are in excess of three billion nine hundred million dollars.

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 414 Reengrossed

2019 Regular Session

Davis

Abstract: Establishes a dedication of up to \$250 million based on the prior fiscal year's state sales and use tax revenues over \$3.9 billion for deposit into the Construction Subfund of the Transportation Trust Fund once a La. Comprehensive Annual Financial Report (CAFR) is published that reports annual state sales and use tax revenues have exceeded \$3.9 billion for two consecutive years.

Present law imposes state sales and use taxes upon the retail sale, use, consumption, or storage, or lease or rental of, tangible personal property, and certain services.

Proposed law retains present law.

Present constitution establishes the Construction Subfund of the Transportation Trust Fund for the funding of direct construction costs for transportation and infrastructure projects.

Proposed law establishes a dedication of up to \$250 million based on the prior fiscal year's state sales and use tax revenues over \$3.9 billion for deposit into the Construction Subfund of the Transportation Trust Fund once a CAFR is published that reports state sales and use tax revenues in excess of \$3.9 billion for two consecutive years.

Proposed law requires that within 30 days after publication of that CAFR, the commissioner of administration give written notification to the governor, the legislature, and the state treasurer that the threshold for this dedication has been met.

Proposed law requires that beginning on the first day of July following the notification by the commissioner of administration, and for each fiscal year thereafter, after satisfaction of the requirements of the Bond Security and Redemption Fund pursuant to present constitution, and the requirement for deposit of any monies in excess of the expenditure limit into the Budget Stabilization Fund pursuant to present constitution, the state treasurer shall deposit up to \$250 million, based on the amount of the prior fiscal year's state sales and use

tax revenues over \$3.9 billion, into the Construction Subfund of the Transportation Trust Fund.

(Adds R.S. 47:319)

Summary of Amendments Adopted by House

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

1. Change the amount of state sales and use tax revenues to be deposited into the Construction Subfund of the Transportation Trust Fund from all revenues exceeding \$4 billion to up to \$250 million.

The House Floor Amendments to the engrossed bill:

1. Decrease the required collection amount of state sales and use taxes from \$4 billion to \$3.9 billion.