

**LEGISLATIVE FISCAL OFFICE**

**Fiscal Note**



Fiscal Note On: **HB 33** HLS 082ES 100  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 9, 2008 4:54 PM	<b>Author:</b> ROBIDEAUX
<b>Dept./Agy.:</b> DOTD / Public Safety	
<b>Subject:</b> Parish TransDOTDportation Fund No. 2	<b>Analyst:</b> Evan Brasseaux

FUNDS/FUNDING OR -\$311,600,000 GF RV See Note Page 1 of 1  
 Dedicates certain sales tax collections on motor vehicles to parish transportation (Item #6)

The proposed legislation creates the Parish Transportation Fund No. 2 and deposits the state sales tax on new and used motor vehicles into the fund. The monies in the fund shall be used solely for qualified construction and maintenance projects along state highways which are eligible for federal aid in each parish of this state. Each parish governing authority shall receive an amount equal to its proportionate share of the aforementioned sales taxes. A proportionate share shall be equal to the amount of state sales and use tax collected per vehicle in the parish in which the principal residence of the purchaser is located. If a vehicle is purchased for commercial use, an amount equal to the state sales and use tax collected per vehicle shall be allocated to the parish in which the principal location of the business is located. This act shall become effective on July 1, 2008.

EXPENDITURES	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
REVENUES	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	(\$311,600,000)	(\$319,600,000)	(\$325,600,000)	(\$332,500,000)	(\$339,400,000)	(\$1,628,700,000)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$311,600,000	\$319,600,000	\$325,600,000	\$332,500,000	\$339,400,000	\$1,628,700,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

**REVENUE EXPLANATION**

The proposed legislation would result in the establishment of the Parish Transportation Fund No. 2 and the deposit of state sales tax on new and used motor vehicles into the fund. Based upon the Revenue Estimating Conference's latest forecast for motor vehicles sales taxes, a cumulative loss of state general fund revenues through FY 13 in the amount of \$1.6 billion would result (reduction of state general fund tax revenue is show above by fiscal year). A corresponding increase in the Parish Transportation Fund No. 2 would occur and would be used solely for qualified construction and maintenance projects along state highways which are eligible for federal aid in each parish of the state.

The fiscal note assumes that sales tax collections associated with the Tourism Promotion District (legally a local political subdivision) will not be dedicated to the the new fund created by this bill. These receipts, assumed not affected by this bill, amount to some \$2.4 million - \$2.5 million per year.

Senate

Dual Referral Rules

House

- 13.5.1 >= \$500,000 Annual Fiscal Cost
- 13.5.2 >= \$500,000 Annual Tax or Fee Change

- 6.8(F) >= \$500,000 Annual Fiscal Cost
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

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