

Second Extraordinary Session, 2008

HOUSE BILL NO. 38

BY REPRESENTATIVE FANNIN

FUNDS/FUNDING: Provides for the dedication of certain revenues to transportation related matters (Item #6)

1 AN ACT

2 To amend and reenact R.S. 47:481 and R.S. 48:196(A), and to enact R.S. 48:77, relative to  
3 the dedication of revenues to transportation related matters; to provide for the deposit  
4 into and allowable uses thereof of certain monies in the Transportation Trust Fund,  
5 the Transportation Mobility Fund, and the State Highway Improvement Fund; to  
6 provide for an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:481 is hereby amended and reenacted to read as follows:

9 §481. Disposition of collections

10 Except as provided in R.S. 47:480, all fees and taxes provided for in this  
11 Chapter, including the permit fees, shall be paid to the state treasurer on or before the  
12 tenth day of each month following their collection and shall be credited to the  
13 account of the state general fund, the Transportation Trust Fund, the State Highway  
14 Improvement Fund, and ~~the~~ state highway fund No. 2, as provided by law.

15 Section 2. R.S. 48:196(A) is hereby amended and reenacted and R.S. 48:77 is hereby  
16 enacted to read as follows:

17 §77. Transportation Trust Fund; dedication and uses of certain monies for  
18 transportation purposes

19 A. Beginning July 1, 2008, from the avails of the tax imposed by Chapters  
20 2, 2-A, and 2-B of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950

1 from the sale, use, lease or rental, the distribution, the consumption, and the storage  
2 for use or consumption of motor vehicles which are taxable pursuant to said Chapters  
3 2, 2-A, and 2-B, and after satisfying the requirements of Article VII, Section 9(B) of  
4 the Constitution of Louisiana relative to the Bond Security and Redemption Fund,  
5 the treasurer shall deposit the following amounts in the Transportation Trust Fund:

6 (1) For Fiscal Year 2008-2009, ten percent of such avails.

7 (2) For Fiscal Year 2009-2010, twenty percent of such avails.

8 (3) For Fiscal Year 2010-2011, thirty percent of such avails.

9 (4) For Fiscal Year 2011-2012, fifty percent of such avails.

10 (5) For Fiscal Year 2012-2013, seventy-five percent of such avails.

11 (6) For Fiscal Year 2013-2014, eighty-five percent of such avails.

12 (7) For Fiscal Year 2014-2015 and thereafter, all of the collections.

13 B. The avails of the taxes dedicated pursuant to Subsection A of this Section  
14 shall be deposited into the following for the purposes specified:

15 (1) Ninety-three percent to the Transportation Fund to be appropriated and  
16 expended as follows:

17 (a)(i) Not less than thirty percent of the total avails deposited in the  
18 Transportation Trust Fund pursuant to Subsection A of this Section shall be  
19 dedicated to capacity projects.

20 (ii) Not less than seventy million dollars annually shall be dedicated from the  
21 avails deposited in the Transportation Trust Fund pursuant to Subsection A of this  
22 Section and the avails deposited in the State Highway Improvement Fund to projects  
23 on any highway which is part of the state highway system, but is ineligible for  
24 federal highway funding assistance.

25 (b) Seven percent of the total avails deposited in the Transportation Trust  
26 Fund pursuant to Subsection A of this Section shall be used exclusively for port  
27 priority projects as provided in Chapter 47 of Title 34 (R.S. 34:3451 through 3463).



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**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)]

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Fannin

HB No. 38

**Abstract:** Phases in the dedication of the sales tax on motor vehicles and accelerates the phase-in of the dedication of proceeds from state truck and trailer licensing and registration to transportation-related purposes.

Proposed law beginning July 1, 2008, dedicates a percentage of the avails of the state sales tax for the sale at retail, the use, the lease or rental, the distribution, the consumption, and the storage for use or consumption of motor vehicles as follows:

- (1) For FY 2008-2009, 10% of avails.
- (2) For FY 2009-2010, 20% of avails.
- (3) For FY 2010-2011, 30% of avails.
- (4) For FY 2011-2012, 50% of avails.
- (5) For FY 2012-2013, 75% of avails.
- (6) For FY 2013-2014, 85% of avails,.
- (7) For FY 2014-2015 and thereafter, all of the collections.

Provides that such avails be deposited as follows:

- (1) 93% to the Transportation Trust Fund (the TTF).
- (2) 7% to the Transportation Mobility Fund.

Proposed law specifies that the monies deposited in the Transportation Trust Fund be used as follows:

- (1) Not less than 30% of the total avails deposited in the TTF shall be dedicated to capacity projects.
- (2) Not less than \$70 million annually from the total avails deposited in the TTF and the State Highway Improvement Fund shall be dedicated to projects on any highway which is part of the state highway system, but is ineligible for federal highway funding assistance.
- (3) 7% of the total avails deposited in the TTF shall be used for port priority projects as provided in present law.
- (4) The remainder (93%) of the total avails deposited in the TTF shall be used exclusively for priority projects as provided by present law.

Present law creates the State Highway Improvement Fund in the state treasury. Provides that the source of the monies shall be registration and license fees and taxes on trucks and trailers collected. Provides that, after making allocation for state highway fund No. 2, a percentage of the monies be deposited in the State Highway Improvement Fund as follows:

- (1) For FY 2007-2008, 25% of collections.
- (2) For FY 2008-2009, 50% of collections.
- (3) For FY 2009-2010, 75% of collection.
- (4) For FY 2010-11 and thereafter, 100% of collections.

Proposed law provides that for FY 2008-2009, 75% of collections shall be deposited in the State Highway Improvement Fund and for FY 2009-2010 and thereafter, 100% of collections shall be deposited in said fund.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:481 and R.S. 48:196(A); adds R.S. 48:77)