

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **HB 39** HLS 082ES 99
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 9, 2008 5:03 PM	Author: WHITE
Dept./Agy.:	Analyst: Evan Brasseaux
Subject: Transportation Trust Fund	

FUNDS/FUNDING OR -\$77,900,000 GF RV See Note Page 1 of 1
 Provides for the dedication of sales tax on motor vehicles for transportation related purposes (Item #6)

The proposed legislation requires, beginning on July 1, 2008, the dedication of a percentage of the avails of the state sales tax on the sale at retail, the use, the lease or rental, the distribution, the consumption, and the storage for use or consumption of motor vehicles, to the Transportation Trust Fund as follows:

- 1) For FY 09, 25% of the avails;
- 2) For FY 10, 50% of the avails;
- 3) For FY 11, 75% of the avails;
- 4) For FY 12, and thereafter, all of the avails.

EXPENDITURES	2008-09	2009-10	2010-11	2011-12	2012-13	5 -YEAR TOTAL
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>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2008-09	2009-10	2010-11	2011-12	2012-13	5 -YEAR TOTAL
State Gen. Fd.	(\$77,900,000)	(\$159,800,000)	(\$244,200,000)	(\$332,500,000)	(\$339,400,000)	(\$1,153,800,000)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$77,900,000	\$159,800,000	\$244,200,000	\$332,500,000	\$339,400,000	\$1,153,800,000
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>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

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 a decrease in state general fund (SGF) revenue of \$77.9 million in FY 09 and a total SGF reduction of approximately \$1.15 billion over the five year period reflected above. In turn, this legislation would dedicate this vehicle sales tax revenue to the Transportation Trust Fund to be used for highway construction and related expenditures. The figures reflected above are based upon the latest projections adopted by the Revenue Estimating Conference.

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, on a 100% basis.

Senate Dual Referral Rules
 13.5.1 >= \$500,000 Annual Fiscal Cost
 13.5.2 >= \$500,000 Annual Tax or Fee Change

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

Gregory V. Albrecht
Gregory V. Albrecht
Chief Economist