
DIGEST

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Montgomery

HB No. 292

Abstract: Levies an additional 1¢ tax on gasoline and motor fuels and on special fuels and dedicates the proceeds to Interstate 49 North and Interstate 49 South.

Proposed law levies an additional 1¢ tax on the sale of gasoline and motor fuels and on special fuels. Proposed law provides that the additional 1¢ tax shall be levied, collected, and administered in the same manner as current taxes levied on gasoline and motor fuels and on special fuels.

Proposed law provides that the proceeds of the additional 1¢ gasoline tax are to be deposited into the Interstate 49 "Account", hereinafter the "account", within the Transportation Trust Fund. Proposed law authorizes the treasurer to create the account. Proposed law provides that monies in the account shall be used solely to fund the costs associated with the construction of Interstate 49 North from the city of Shreveport to the Louisiana/Arkansas border and the construction of Interstate 49 South from Interstate 10 in Lafayette to the Westbank Expressway in the city of New Orleans, through the Dept. of Transportation and Development. Proposed law provides that the proceeds of the tax and bonds, if any, shall be allocated between the two projects in the percentages of 2/5 to Interstate 49 North and 3/5 to Interstate 49 South. Proposed law further provides that any monies allocated for one of the projects but not needed for such project may be reallocated for the completion of the other project.

Proposed law provides that monies in the account shall be invested as provided by law. Unencumbered or unexpended balances at the end of each fiscal year shall remain to the credit of the account.

Proposed law provides that the tax collections may be used for the payment of obligations incurred by the State Bond Commission relative to bonds, notes, or other obligations issued or debt incurred by it, including obligations incident to the issuance, security, and payment in respect thereof, as provided in Art. VII, §27 of the constitution, for the projects.

Proposed law provides that the Dept. of Transportation and Development shall submit an annual report to the House and Senate Committees on Transportation, Highways and Public Works, the House Committee on Ways and Means, and the Senate Committee on Revenue and Fiscal Affairs to inform the committees of the progress of the projects.

Proposed law provides that the tax shall cease at such time as the Interstate 49 North and the Interstate 49 South projects are completed and all outstanding bonds or any refunding bonds issued for the projects and payable from the tax are paid in full as to principal and interest,

whichever is later. Proposed law provides that no bonds may be issued which are secured by a pledge of the tax after January 1, 2015. No bonds may be issued for a term of more than 30 years.

Effective and operative on January 1, 2007, if and when the proposed amendment to the constitution contained in HB ____ of the 2005 R.S. is adopted at the statewide election to be held on Nov. 7, 2006.

(Adds R.S. 47:820.25-820.27)