



# Louisiana Senate Finance Committee



## FY21 Proposed Budget

### 07 – Transportation and Development (DOTD)

June 2020

*Senator Patrick Page Cortez, President  
Senator Bodi White, Chairman*



# FY21 Proposed Budget

## Transportation and Development Organization



Departmental mission — “To deliver transportation and public works systems that enhance quality of life and facilitate economic growth” through design, planning, construction, and maintenance for these systems.

### 07-273 Administration

Secretary

Management  
and Finance

### 07-276 Engineering and Operations

Engineering

Planning

Operations

Aviation

Multimodal  
Commerce



# FY21 Proposed Budget

## Transportation and Development Agency Descriptions

**Office of the Secretary** — Provides administrative leadership, direction, and accountability for all DOTD programs in support of its mission.

**Office of Management and Finance** — Performs departmental responsibilities related to budgeting, financial services, procurement, audit, human resources, quality control, and other support services.

**Engineering** — Develops, constructs, and operates the state's highway and infrastructure system.

**Planning** — Provides strategic direction for a seamless, multimodal transportation system.

**Operations** — Plans, designs, builds, sustains, and operates a multimodal transportation and infrastructure system to enhance mobility and economic development.

**Aviation** — Facilitates, develops, regulates, and provides guidance for Louisiana's aviation system of over 650 public and private airports and heliports.

**Multimodal Commerce** — Administers the planning and programming functions of the department related to commercial trucking, ports and waterways, and freight and passenger rail development; advises the Office of Planning on intermodal issues; and implements the master plan as it relates to intermodal transportation.

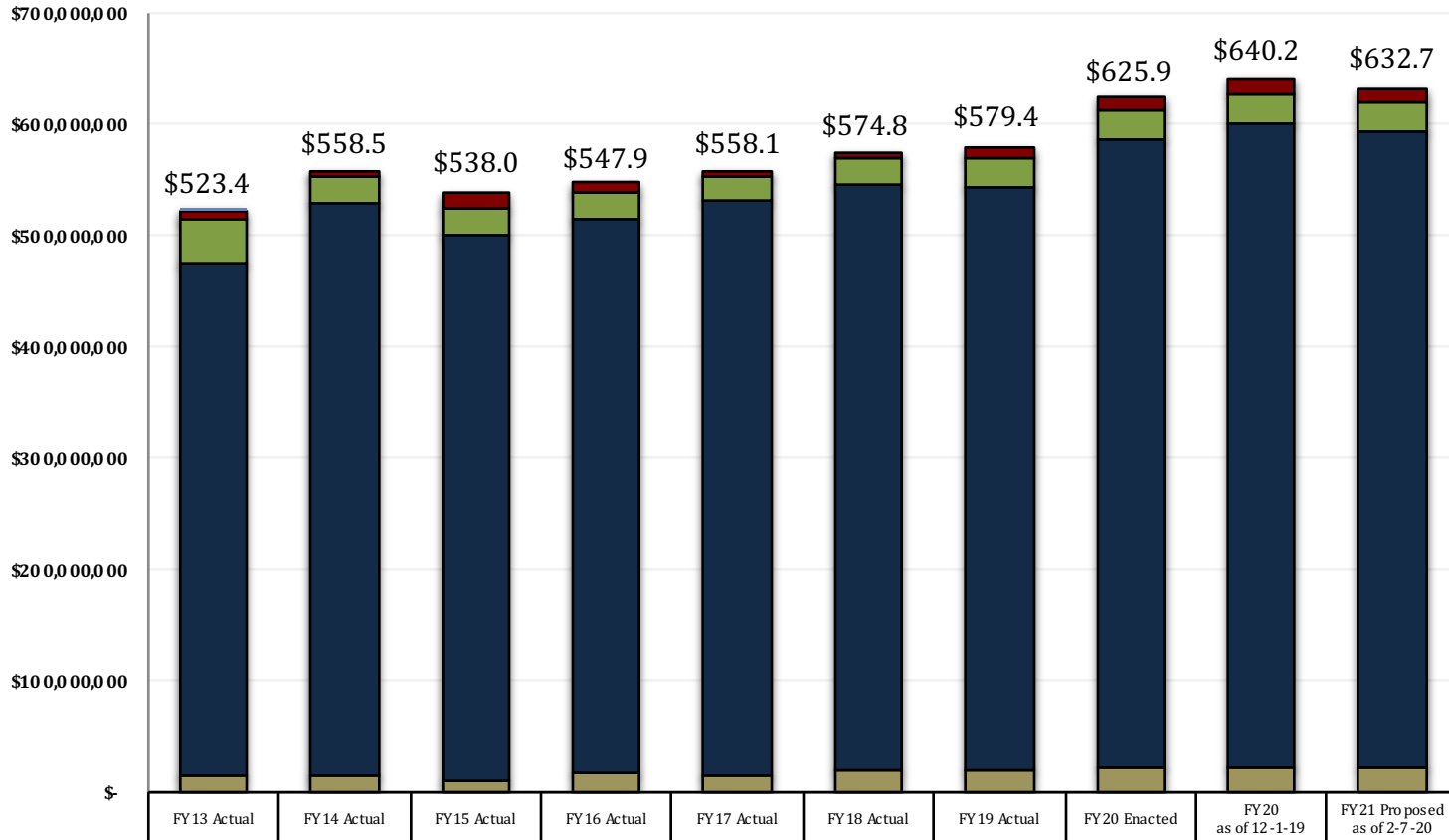


# Transportation and Development

## Changes in Funding since FY13

### Total Budget by Fiscal Year and Means of Finance (in \$ millions)

Change from FY13 to FY21  
is 20.9%.



### Interim Updates

August 2019 JLCB --  
\$15 m. total in  
Carryforward BA-7s  
approved and  
GARVEE bonds  
update provided.

October 2019 JLCB -  
- \$170,321 out of  
the Crescent City  
Transition Fund for  
operation expenses  
of the Crescent City  
Connection Bridge.





# Transportation and Development

## Statewide Budget Adjustments Proposed for FY21

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	\$13,067,597	\$26,182,415	\$579,302,489	\$21,632,793	\$640,185,294	4,260	<b>FY20 Existing Operating Budget as of 12-1-19</b>
\$0	\$0	\$0	\$7,958,146	\$0	\$7,958,146	0	Market Rate Salary Adjustment – Classified
\$0	\$0	\$0	\$49,470	\$0	\$49,470	0	Unclassified Pay Increase
\$0	\$0	\$0	\$846,492	\$0	\$846,492	0	Civil Service Training Series Adjustment
\$0	\$0	\$0	\$1,631,662	\$0	\$1,631,662	0	Related Benefits Base Adjustment
\$0	\$0	\$0	(\$1,248,321)	\$0	(\$1,248,321)	0	Retirement Rate Adjustment
\$0	\$0	\$0	\$797,023	\$0	\$797,023	0	Group Insurance Rate Adjustment for Active Employees
\$0	\$0	\$0	\$1,004,534	\$0	\$1,004,534	0	Group Insurance Rate Adjustment for Retirees
\$0	\$0	\$0	\$3,521,053	\$0	\$3,521,053	0	Salary Base Adjustment
\$0	\$0	\$0	(\$6,277,373)	\$0	(\$6,277,373)	0	Attrition Adjustment
\$0	\$3,710,846	\$19,500,000	\$8,491,500	\$23,770	\$31,726,116	0	Acquisitions and Major Repairs
\$0	(\$3,710,846)	(\$19,500,000)	(\$12,491,500)	(\$23,770)	(\$35,726,116)	0	Non-recurring Acquisitions and Major Repairs
\$0	\$0	\$0	(\$14,151,500)	\$0	(\$14,151,500)	0	Non-recurring Carryforwards
\$0	\$0	\$0	(\$1,474,771)	\$0	(\$1,474,771)	0	Risk Management
\$0	\$0	\$0	(\$173,250)	\$0	(\$173,250)	0	Legislative Auditor Fees
\$0	\$0	\$0	\$12,713	\$0	\$12,713	0	Capitol Park Security
\$0	\$0	\$0	(\$7,786)	\$0	(\$7,786)	0	UPS Fees
\$0	\$0	\$0	\$85,360	\$0	\$85,360	0	Civil Service Fees
\$0	\$0	\$0	\$1,096,793	\$0	\$1,096,793	0	Office of Technology Services (OTS)
\$0	\$0	\$0	(\$66,122)	\$0	(\$66,122)	0	Office of State Procurement
\$0	\$0	\$0	(\$77,365)	\$0	(\$77,365)	0	Topographic Mapping
\$0	\$0	\$0	(\$10,473,242)	\$0	(\$10,473,242)	0	<b>Total Statewide Adjustments</b>
\$0	\$0	\$5,870	(\$5,870)	\$0	\$0	0	Total Means of Financing Substitution Adjustments
\$0	(\$488,259)	\$0	\$3,429,261	\$0	\$2,941,002	0	Total Other Adjustments
\$0	\$12,579,338	\$26,188,285	\$572,252,638	\$21,632,793	\$632,653,054	4,260	<b>Total FY21 Proposed Budget</b>
\$0	(\$488,259)	\$5,870	(\$7,049,851)	\$0	(\$7,532,240)	0	Total Adjustments (Statewide and Agency-Specific)



# Transportation and Development Non-Statewide Adjustments for FY21

## Means of Financing Substitutions

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	\$0	\$5,870	(\$5,870)	\$0	\$0	0	ENGINEERING and OPERATIONS — Planning — Means of finance substitution removing funding from the Statutorily Dedicated Louisiana Bicycle and Pedestrian Safety Fund and increasing the fund account re-classified as Fees and Self-generated Revenue in accordance with Act 404 of the 2019 Regular Session.
\$0	\$0	\$5,870	(\$5,870)	\$0	\$0	\$0	<b>Total MOF Substitutions</b>

## Other Adjustments

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	(\$488,259)	\$0	\$0	\$0	(\$488,259)	0	ADMINISTRATION — Mgt and Finance — Adjustment to balance to FY21 Interagency Transfer agreements to receive funding from multiple state agencies for statewide topographic mapping costs.
\$0	\$0	\$0	\$1,316,238	\$0	\$1,316,238	0	ENGINEERING AND OPERATIONS — Planning — Increase in TTF-Federal that is passed through to the 11 Metropolitan Planning Organizations (MPOs) in the state. The increase is needed to be able to obligate all Federal dollars available to the MPOs for developing transportation plans and determining the feasibility of projects in their area.
\$0	\$0	\$0	\$2,113,023		\$2,113,023	0	ENGINEERING AND OPERATIONS — District Operations — Appropriates \$1.14 million from the N.O. Ferry Fund and \$973,023 from the Regional Maintenance and Improvement Fund and re-enacted the N.O. Ferry Fund, both of which became effective on July 1, 2019. These funds will provide for the operations of the ferry service in New Orleans and for maintenance and improvements of state highways in Jefferson Parish. The Ferry Fund expired on June 30, 2018 and was not part of the FY19 budget. DOTD submitted a BA-7 to appropriate these funds in the same amounts for FY20. It was not approved prior to December 1, 2019; however, because REC had not yet adopted a forecast for FY20 at the time.
\$0	(\$488,259)	\$0	\$3,429,261	\$0	\$2,941,002	0	<b>Total Other Adjustments</b>

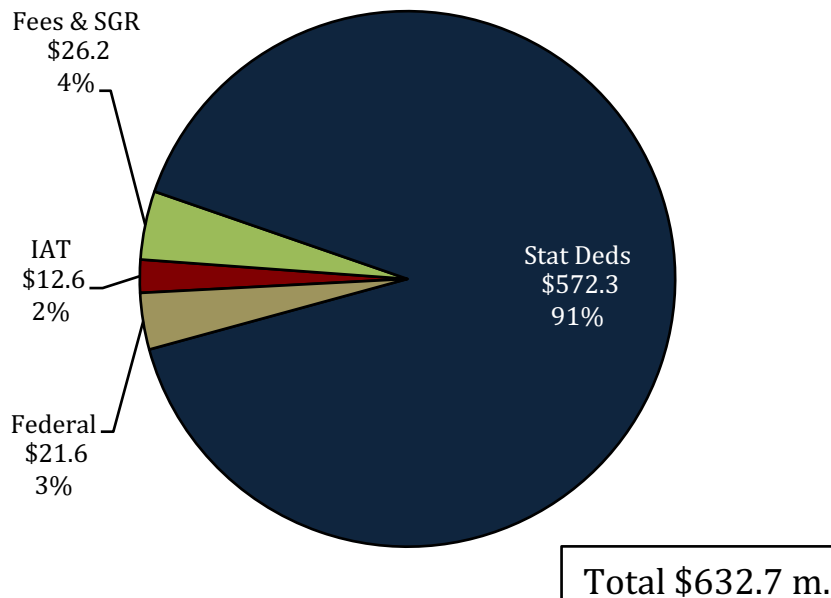
## Technical Adjustments

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	\$0	\$0	\$179,686	\$0	\$179,686	2	ADMINISTRATION — Office of the Secretary — Transfers 2 Public Information Officer positions from the Operations Program in Engineering and Operations to the Office of the Secretary. This will allow the Public Information Officer positions to reside in a program that is more properly aligned with their job duties. Statutory Dedications are from TTF-Regular.
\$0	(\$43,980)	\$0	\$0	\$0	(\$43,980)	0	ADMINISTRATION — Management and Finance — Adjustment to the allocation of topographic mapping costs between the Office of Management and Finance and the Engineering Program.
\$0	\$43,980	\$0	\$0	\$0	\$43,980	0	ENGINEERING AND OPERATIONS — Engineering — Adjustment to the allocation of topographic mapping costs between the Office of Management and Finance and the Engineering Program.
\$0	\$0	\$0	(\$179,686)	\$0	(\$179,686)	(2)	ENGINEERING AND OPERATIONS — District Operations — Transfers 2 Public Information Officer positions from the Operations Program in Engineering and Operations to the Office of the Secretary. This will allow the Public Information Officer positions to reside in a program that is more properly aligned with their job duties. Statutory Dedications are from TTF-Regular.
\$0	\$0	\$0	\$0	\$0	\$0	-	<b>Total Technical Adjustments</b>



# Transportation and Development FY21 Proposed Means of Finance

**FY21 Proposed  
Total Means of Finance  
(In Millions)**



**Federal sources**, in addition to the TTF-Federal, include Federal Research and Innovative Technology Administration (RITA) grants to be used exclusively for research grants for highways; Federal Emergency Management Agency (FEMA) grants for the National Flood Insurance Program - Community Assistance; a federal grant for highway safety programs; the Federal Transit Administration; Commercial Vehicle Information Systems and Networks program (CVISN) grants administered by the Federal Motor Carrier Safety Association; and the FAA's Wildlife Hazard Mitigation Program.

## Non-SGF Sources of Funding:

The majority of funding in DOTD comes from **dedicated funds**, particularly the **Transportation Trust Fund-Regular (C)** and the **Transportation Trust Fund-Federal**. The TTF-Regular (16 cents/gallon) is derived from taxes on gasoline, motor fuels, and special fuels, while the TTF-Federal (18.4 cents/gallon on gasoline and special fuels; 24.4 cents/gallon diesel) comes from the Federal Highway Administration. An additional state tax of 4 cents/gallon provides funding for the TIMED program.

## Other statutory dedications include:

- **La. Transportation Research Center Transportation Training and Education Center Fund** (registration fees for training courses),
- **DOTD Right-of-Way Permit Processing Fund** (permit fees from utilities),
- **Louisiana Highway Safety Fund** (speeding tickets issued for less than 10 miles over the limit on interstate highways),
- **Crescent City Transition Fund** (balance of tolls previously collected from the Crescent City Connection Bridge),
- **Regional Maintenance and Improvement Fund** (fifty percent of the remaining monies derived from the collection of registration and license fees and taxes collected by the state pursuant to R.S. 47:462, and as provided in R.S. 47:481, in Jefferson Parish),
- **State Highway Improvement Fund** (registration and license fees and taxes collected by the state pursuant to R.S. 47:462 and as provided in R.S. 47:481)
- **New Orleans Ferry Fund** (revenues from truck and trailer registration or license tax collected in Orleans Parish), *ELIMINATED in FY19 budget/Reauthorized for FY21 budget*
- **Louisiana Bicycle and Pedestrian Safety Fund** (fees from the sale of prestige license plates for bicycle and pedestrian safety) *Changed from a fund to an account effective July 1, 2020 pursuant to Act 612 (SB 400) of the 2018 Regular Session.*

**Fees and Self-generated Revenues** come from sources such as sales of maps and plans; sales of land, buildings, and equipment on right-of-way; equipment buy back; etc.

**Interagency transfer** sources include reimbursements from FEMA for natural disasters and administrative fees collected for capital outlay projects administered by DOTD.



# Transportation and Development Dedicated Funds

Dedicated Funds	Source of Funding	FY19 Actual	FY20 EOB as of 12-1-19	FY21 Proposed
Crescent City Transition Fund	Balance of tolls previously collected from the CCC Bridge.	\$625,954	\$558,005	\$558,005
Louisiana Bicycle and Pedestrian Safety Fund	Fees from the sale of prestige license plates for bicycle and pedestrian safety.	\$0	\$5,870	\$0
Louisiana Highway Safety Fund	Speeding tickets issued for less than 10 miles over the speed limit on interstate highways.	\$0	\$2,000	\$2,000
LTRC Transportation Training and Ed. Ctr. Fund	Registration fees for training courses.	\$724,590	\$724,590	\$724,590
New Orleans Ferry Fund	Revenues from truck and trailer registration or license tax collected in Orleans Parish.	\$0	\$0	\$1,140,000
Regional Maintenance & Improvement Fund	Fifty percent of the remaining monies derived from the collection of registration and license fees and taxes collected by the state pursuant to R.S. 47:462, and as provided in R.S. 47:481, in Jefferson Parish	\$0	\$0	\$973,023
Right-of-Way Permit Processing Fund	Permit fees from utilities.	\$430,000	\$430,000	\$430,000
State Highway Improvement Fund	Registration and license fees and taxes.	\$0	\$5,000,000	\$5,000,000
TTF-Federal	Federal Highway Administration.	\$132,381,964	\$150,485,906	\$147,579,777
TTF-Regular	Taxes on gasoline, motor fuels, and special fuels.	\$390,562,341	\$422,096,118	\$415,845,243
<b>TOTALS</b>		<b>\$524,724,849</b>	<b>\$579,302,489</b>	<b>\$572,252,638</b>

2018 Dedicated Fund Review Subcommittee recommendations and *any subsequent legislative action taken during the 2018 Regular Session:*

*Crescent City Transition Fund = No change, with repeal once all financial obligations are met. Any remaining funds will revert to the State General Fund.*

*La. Bicycle and Pedestrian Safety Fund = Reclassify as Fees and Self-generated Revenues [Changed from a fund to an account effective July 1, 2020 pursuant to Act 612 (SB 400) of the 2018 Regular Session]*

*TTF-Regular = No change*





# Transportation and Development

## FY20 Enacted vs.FY21 Proposed Means of Financing by Agency

<b>FY20 Enacted Total MOF by Agency</b>	<b>SGF</b>	<b>IAT</b>	<b>FSGR</b>	<b>Stat Deds</b>	<b>Federal</b>	<b>Total</b>
Administration	\$0	\$554,215	\$26,505	\$51,401,886	\$0	\$51,982,606
Engineering and Operations	\$0	\$12,513,382	\$26,155,910	\$513,578,782	\$21,632,793	\$573,880,867
<b>TOTAL Administration and Engineering and Operations</b>	<b>\$0</b>	<b>\$13,067,597</b>	<b>\$26,182,415</b>	<b>\$564,980,668</b>	<b>\$21,632,793</b>	<b>\$625,863,473</b>
<b>FY21 Proposed Total MOF by Agency</b>	<b>SGF</b>	<b>IAT</b>	<b>FSGR</b>	<b>Stat Deds</b>	<b>Federal</b>	<b>Total</b>
Administration	\$0	\$21,976	\$26,505	\$52,937,640	\$0	\$52,986,121
Engineering and Operations	\$0	\$12,557,362	\$26,161,780	\$519,314,998	\$21,632,793	\$579,666,933
<b>TOTAL Administration and Engineering and Operations</b>	<b>\$0</b>	<b>\$12,579,338</b>	<b>\$26,188,285</b>	<b>\$572,252,638</b>	<b>\$21,632,793</b>	<b>\$632,653,054</b>
<i>Difference FY20 Enacted to FY21 Proposed</i>	<i>\$0</i>	<i>(\$488,259)</i>	<i>\$5,870</i>	<i>\$7,271,970</i>	<i>\$0</i>	<i>\$6,789,581</i>

The FY21 Proposed Budget for DOTD is an increase of \$6.8 million over FY20 Enacted. This equates to a percentage increase of 1.1.

The Administration Program increased by just over \$1 million, or 1.9 percent, from FY20 Enacted to FY21 Proposed.

The Engineering and Operations Program also increased from FY20 Enacted to FY21 Proposed by \$5.8 million, or 1.01 percent.

When looking at Means of Financing, Statutory Dedications increased by \$7.3 million and Fees and Self-generated Revenues by \$5,870, while Interagency Transfers slipped by (\$488,259) and Federal Funds remained the same. DOTD does not have any State General Fund for either fiscal year.



# DOTD Categorical Expenditures FY19, FY20, and FY21

Expenditure Category	FY19 Actual	FY20 EOB (as of 12-01-19)	FY21		Difference FY20 to FY21
			Proposed Budget	Category as Percent of Total	
<b>Personal Services:</b>	<b>\$ 355,097,506</b>	<b>\$ 376,345,912</b>	<b>\$384,628,598</b>	<b>60.80%</b>	<b>\$8,282,686</b>
Salaries	\$ 217,951,839	\$ 228,308,672	\$234,025,604	36.99%	\$5,716,932
Other Compensation	\$ 792,696	\$ 957,484	\$957,484	0.15%	\$0
Related Benefits	\$ 136,352,971	\$ 147,079,756	\$149,645,510	23.65%	\$2,565,754
<b>Operating Expenses:</b>	<b>\$ 56,679,368</b>	<b>\$ 59,889,750</b>	<b>\$58,873,477</b>	<b>9.31%</b>	<b>(\$1,016,273)</b>
Travel	\$ 3,592,605	\$ 4,058,717	\$4,058,717	0.64%	\$0
Operating Services	\$ 18,037,506	\$ 18,789,222	\$18,523,919	2.93%	(\$265,303)
Supplies	\$ 35,049,257	\$ 37,041,811	\$36,290,841	5.74%	(\$750,970)
<b>Professional Services</b>	<b>\$ 24,408,706</b>	<b>\$ 37,359,384</b>	<b>\$34,641,251</b>	<b>5.48%</b>	<b>(\$2,718,133)</b>
<b>Other Charges:</b>	<b>\$ 116,687,142</b>	<b>\$ 123,363,416</b>	<b>\$122,783,612</b>	<b>19.41%</b>	<b>(\$579,804)</b>
Other Charges	\$ 55,744,995	\$ 55,258,462	\$55,205,721	8.73%	(\$52,741)
Debt Service	\$0	\$0	\$0	0.00%	\$0
Interagency Transfers	\$ 60,942,147	\$ 68,104,954	\$67,577,891	10.68%	(\$527,063)
<b>Acquisitions &amp; Major Repairs:</b>	<b>\$ 26,498,435</b>	<b>\$ 43,226,832</b>	<b>\$31,726,116</b>	<b>5.01%</b>	<b>(\$11,500,716)</b>
Acquisitions	\$ 26,498,435	\$ 43,226,832	\$31,726,116	5.01%	(\$11,500,716)
Major Repairs	\$0	\$0	\$0	0.00%	\$0
<b>Total Expenditures</b>	<b>\$ 579,371,157</b>	<b>\$ 640,185,294</b>	<b>\$632,653,054</b>	<b>100.00%</b>	<b>(\$7,532,240)</b>

The largest Other Charges expenditures include Office of Technology Services expenses at \$24.5 m.; various contract maintenance services (guardrail replacement, mowing, rest area security, etc.) at \$19.9 m.; Office of Risk Management at \$19.7 m.; Federal Transit Administration (FTA) expenses (special needs vehicles, rural transportation, etc.) at \$18.3 m.; and Public Safety Weights and Standards policing at \$6.6 m.



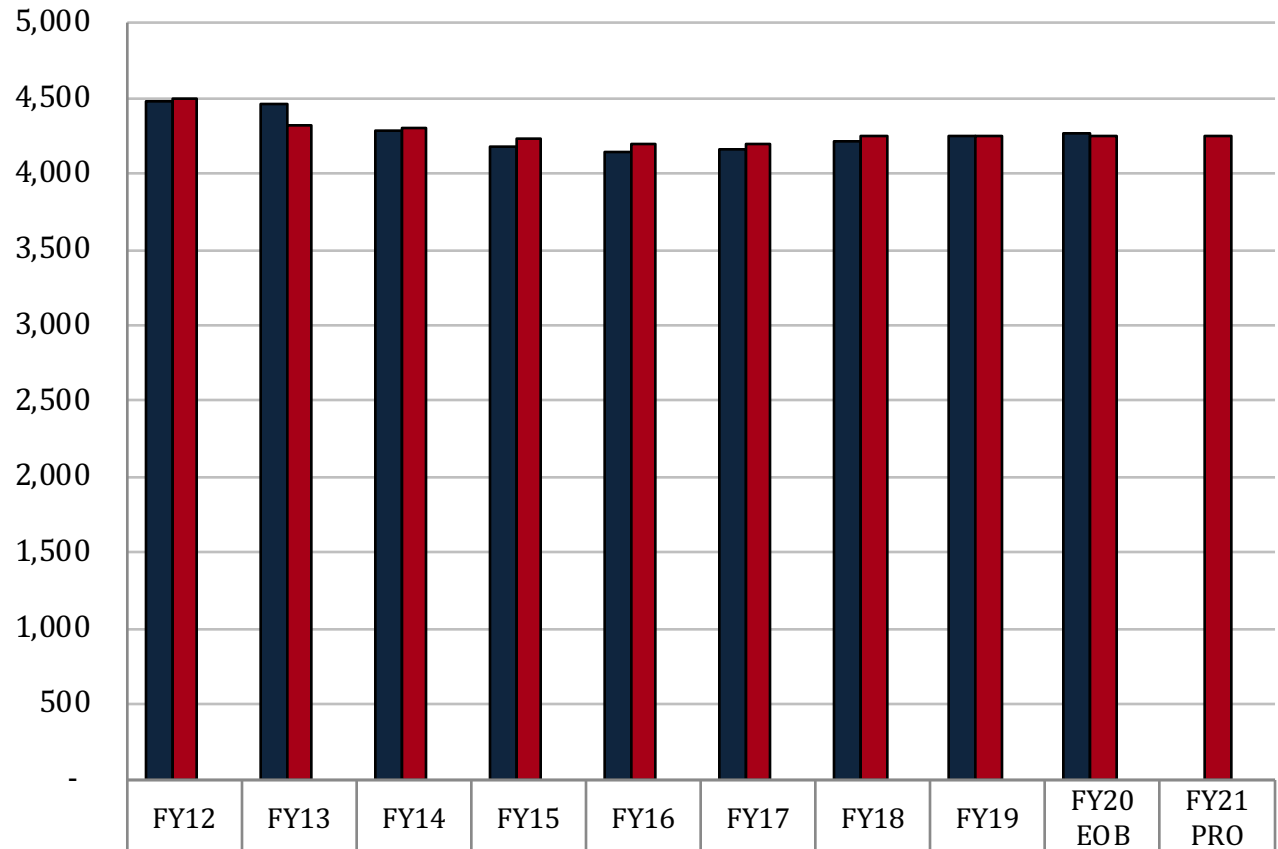
# Transportation and Development

## FTEs, Authorized Positions, and Other Charges Positions

Total FY21 Proposed Authorized Positions of 4,260 are 12.5% of Total State FY21 Proposed Authorized Positions of 33,999.

FY21 Proposed Budget includes funding for related benefits of all positions in the amount of \$149.6 m.

Out of the \$149.6 m., \$73.7 m. are for UAL payments; \$34.5 m. are for retirees' health benefits; and the remaining amount of \$41.4 m. are the employer contributions to the benefits of active employees, of which 0% are SGF.



■ Total FTEs (as of July 1 of each fiscal year)	4,479	4,465	4,290	4,188	4,146	4,167	4,211	4,260	4,275	-
■ Total Authorized Positions (Enacted)	4,494	4,322	4,310	4,228	4,194	4,195	4,258	4,260	4,260	4,260
■ Authorized Other Charges Positions	-	-	-	-	-	-	-	-	-	-

### Notes:

Data for Total FTEs uses the first weekly employment report published by State Civil Service in July at the start of the named fiscal year.

Data for Total Authorized Positions uses fiscal year enacted levels, except for FY21 Proposed.

Data for Other Charges Positions are reflected in the Executive Budget per Act 377 of the 2013 Regular Legislative Session (beginning in FY15).



# FY21 Proposed Budget

## DOTD — Staff Demographic Data

The following table shows a breakdown of departmental staff by demographic data.

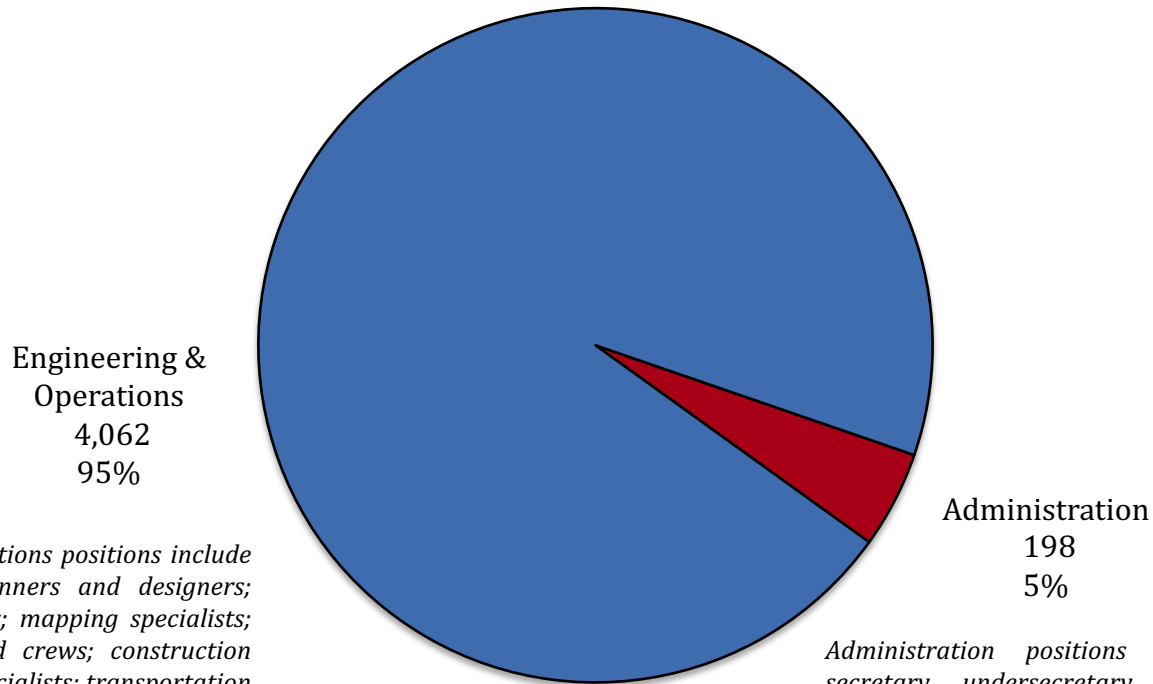
Gender	
Female	1,017
Male	3,130
Race	
Asian	70
Black	1,083
Hawaiian	2
Hispanic	51
Indian	30
White	2,968
Declined to state race/ethnicity	180
Retirement Eligible Within 1 Year or Currently Eligible	1,595





# Transportation and Development

## FY21 Proposed Total Authorized Positions by Agency



*Engineering and Operations positions include engineers; project planners and designers; information technology; mapping specialists; district directors; road crews; construction specialists; aviation specialists; transportation researchers; safety specialists; maritime and rail infrastructure staff; etc.*

*Administration positions include the departmental secretary, undersecretary, and assistant secretaries; managerial and clerical staff; budget; fiscal; information technology; quality control; and other support staff.*

Engineering and Operations	
Engineering	552
Planning	76
Operations	3,410
Aviation	12
Multimodal Commerce	12

Administration	
Office of the Secretary	71
Office of Management and Finance	127



# Transportation and Development

## FY19, FY20, and FY21 Comparison

### Total Funding — All Means of Finance

Total Funding	FY19 Actual	FY20 Enacted	FY20 EOB as of 12-1-19	FY21 Proposed as of 2-7-20	Difference FY21 Proposed vs. FY20 EOB
<b>Administration</b>	<b>\$ 43,906,932</b>	<b>\$ 51,982,606</b>	<b>\$ 52,487,901</b>	<b>\$ 52,986,121</b>	<b>\$498,220</b>
Secretary	\$ 8,068,622	\$ 10,578,986	\$ 10,578,986	\$ 10,913,434	\$334,448
Mgt. & Finance	\$ 35,838,310	\$ 41,403,620	\$ 41,908,915	\$ 42,072,687	\$163,772
<b>Engineering and Operations</b>	<b>\$ 535,464,225</b>	<b>\$ 573,880,867</b>	<b>\$ 587,697,393</b>	<b>\$ 579,666,933</b>	<b>(\$8,030,460)</b>
Engineering	\$ 89,268,832	\$ 96,654,188	\$ 99,038,533	\$ 98,372,962	(\$665,571)
Planning	\$ 42,230,445	\$ 49,250,938	\$ 51,760,290	\$ 50,793,599	(\$966,691)
Operations	\$ 400,704,193	\$ 423,378,107	\$ 432,300,936	\$ 425,834,322	(\$6,466,614)
Aviation	\$ 1,425,213	\$ 2,253,522	\$ 2,253,522	\$ 2,304,048	\$50,526
Multimodal Commerce	\$ 1,835,542	\$ 2,344,112	\$ 2,344,112	\$ 2,362,002	\$17,890
<b>TOTAL Administration and Engineering and Operations</b>	<b>\$ 579,371,157</b>	<b>\$ 625,863,473</b>	<b>\$ 640,185,294</b>	<b>\$ 632,653,054</b>	<b>\$ (7,532,240)</b>
<b>Total Authorized FTEs</b>	<b>4,260</b>	<b>4,260</b>	<b>4,260</b>	<b>4,260</b>	<b>-</b>



# Transportation and Development

## GARVEE Bonds Update — August 2019 JLCB

### Loyola Dr./Interstate 10 (I-10) Interchange to New Airport Terminal (LANOIA) State Project Number: H.011670 Orleans Parish

- Federal legislation allows states to issue bonds financed with federal highway revenues from future appropriations.
  - These are Grant Anticipation Revenue Vehicle (GARVEE) bonds.
  - Half of the states have issued GARVEE bonds.
  - Bond issuances of 10 to 15 years are common.
    - *DOTD is proposing a 12-year repayment schedule.*
  - State law, RS 48:27, limits the size of GARVEE issuance such that debt service cannot exceed 10 percent of the annual obligation authority for federal highway funds available to Louisiana.
    - *Louisiana could issue over \$600 million in GARVEE bonds.*
    - *The Regional Planning Commission will contribute \$12 million.*
    - *Local entities will contribute \$6 million in local cash and Road Transfer.*
- New terminal at the Louis Armstrong New Orleans International Airport — approximate cost of \$993 million.
  - The existing road infrastructure is incapable of being used as the primary access to the facility.
- The proposed project will improve Loyola Drive and the I-10 interchange with Loyola Drive, including elevated ramps to and from I-10 similar to the ramps connecting to existing Airport Drive.
- Gilchrist Construction Company is the successful proposer with a bid amount of \$125,590,956.81 and 1,180 calendar days.
  - It is anticipated for construction to begin in the 2nd quarter of 2020.



# Transportation and Development

## Highway and Bridge Needs Backlog — \$14.6 billion

- **The state highway and bridge needs backlog totaled \$14.6 billion as of DOTD's 2018 annual report.**
  - The department maintains an ongoing list of highway and bridge needs around the state, which is compiled through assessments and evaluations of these infrastructures.
  - Any highway which does not meet established thresholds and any bridge which is determined to be structurally deficient or functionally obsolete to a significant degree is considered a need.
  - Whenever a highway or bridge issue is not addressed, the project goes onto the list of needs, which is also known as the backlog.
  - For 2018, DOTD determined the highway needs backlog at \$11.3 billion, and the bridge needs backlog at \$3.3 billion.

Highway Needs (in \$ millions)	Miles	Cost
Capacity and TSM (Transportation System Mgt.)	958	\$6,739
Geometrics (Safety) Lane Width Alignment, Shoulders	1,404	\$784
Operations/Motorist Services	-	\$179
Resurfacing (Only)	11,115	\$3,593
<b>TOTAL Highway Needs</b>	<b>13,477</b>	<b>\$11,295</b>
Bridge Needs (in \$millions)	Number	Cost
Structurally Deficient	643	\$3,003
Functionally Obsolete	26	\$211
Moveable Bridges	-	\$7
Painting	-	\$95
<b>TOTAL Bridge Needs</b>	<b>669</b>	<b>\$3,315</b>
<b>GRAND TOTAL</b>		<b>\$14,611</b>

Source: DOTD, 2018 State Highway and Bridge Needs.





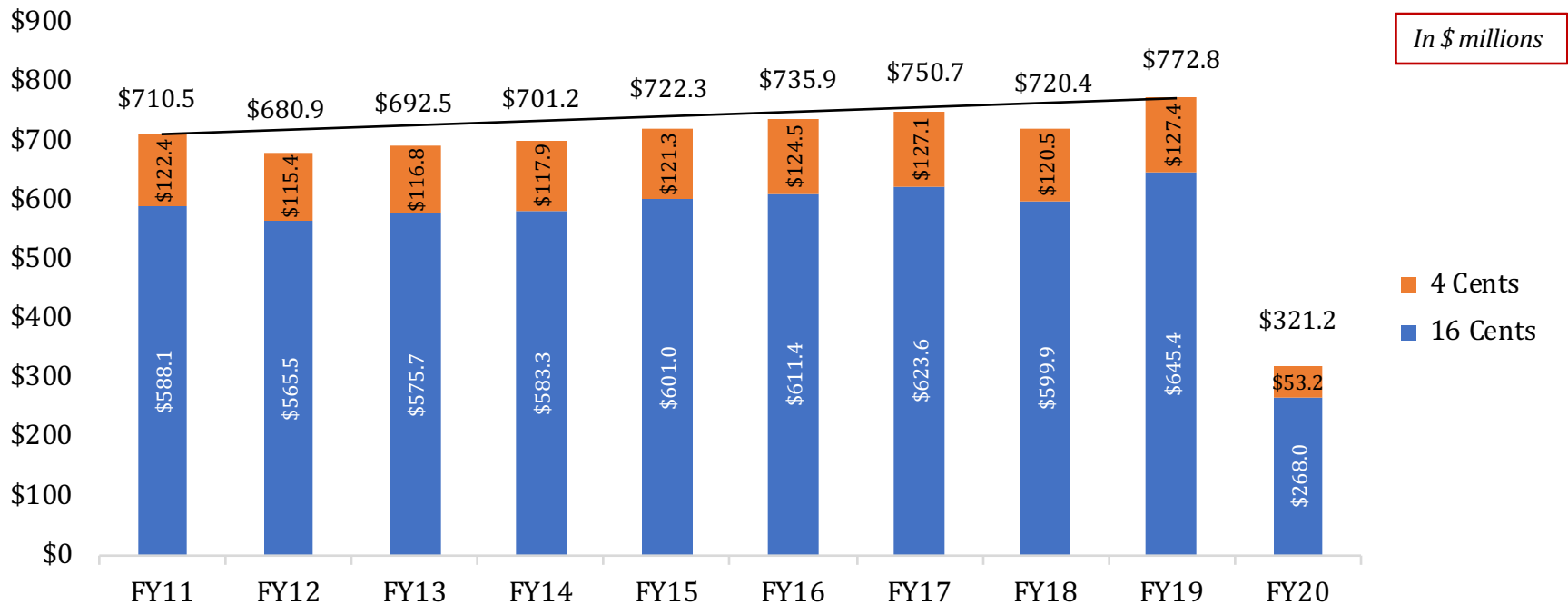
# Transportation and Development

## The Transportation Trust Fund

The Transportation Trust Fund (TTF) was created in La. Const. Article VII, Section 27 as the depository fund for all taxes levied on gasoline, motor fuels, and special fuels in the state. The tax rate is set at 16 cents/gallon with an additional 4 cents/gallon going towards projects in the TIMED program.

The TTF also receives funding from certain dedications of automobile registration fees, aviation fuel tax, and motor vehicle license tax.

The chart below shows total receipts from the 16-cent tax and the 4-cent tax. FY20 is a partial year. From FY11 to FY19, the percent change is 8.8.



Source: La. State Treasury as of 12-31-19.

Totals are receipts only – any bond proceeds or carryforwards not included.



# Transportation and Development

## National Highway Construction Cost Index

2.5

The NHCCI is “a measure of the average change over time in the prices paid by state transportation departments for roadway construction materials and services.” Since its inception in March 2003, the index has risen by 96.2 percent to 1.9618 in September 2019.

Source: U.S. DOT, Federal Highway Administration, October 2019

2

1.5

1

0.5

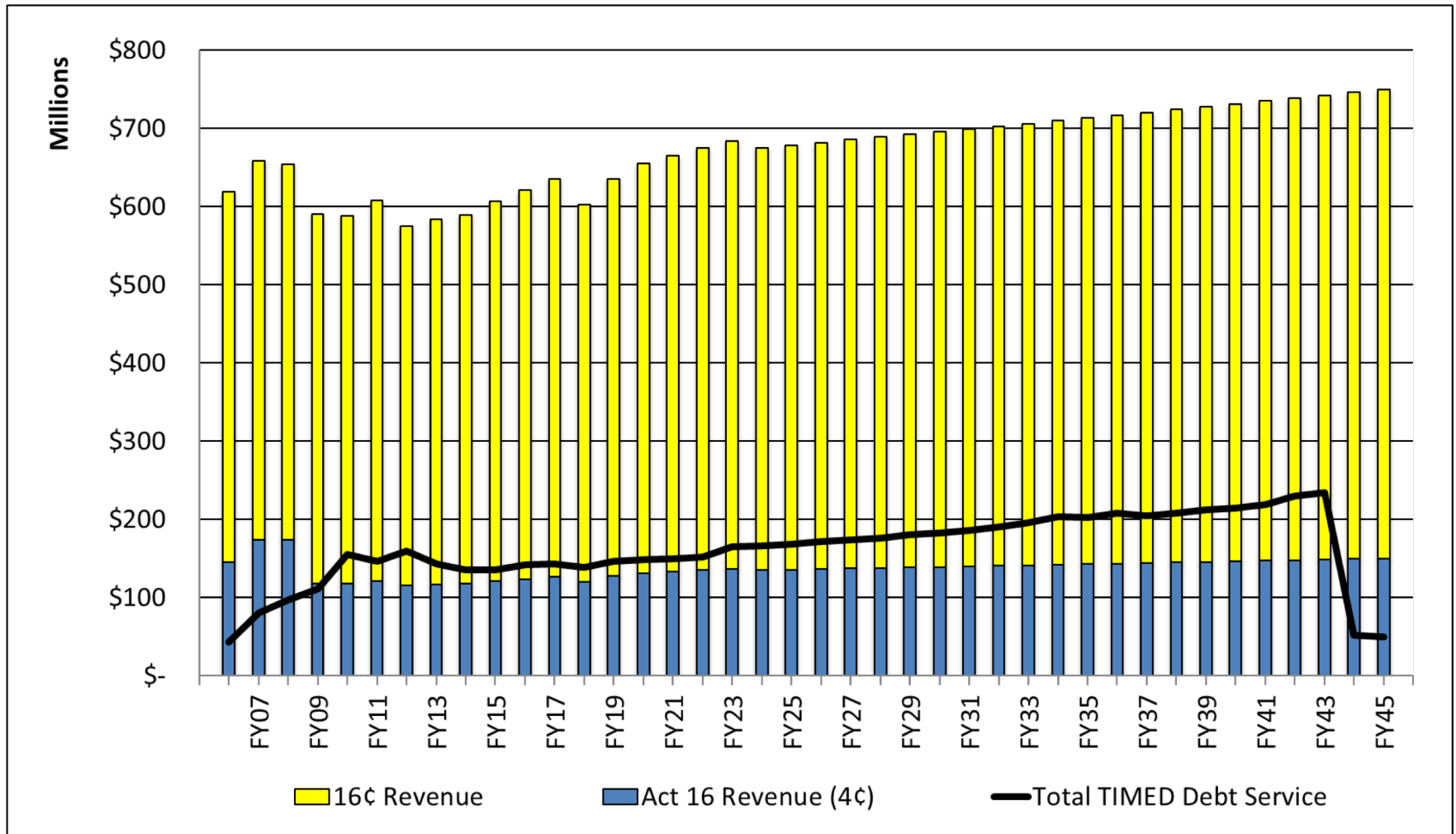
0

*It would have cost DOTD nearly \$1.97 in September 2019 to construct the same project that cost \$1 in March 2003.*





# Transportation and Development TIMED Debt Service Requirements



Source: DOTD, February 2020



# Transportation and Development

## Louisiana Gasoline Taxes vs. the National Average

### Louisiana Gasoline 38.41 Total State plus Federal Excise Taxes (@18.4 cents per gallon)

20.00 State Excise Tax

0.01 Other state Taxes/Fees

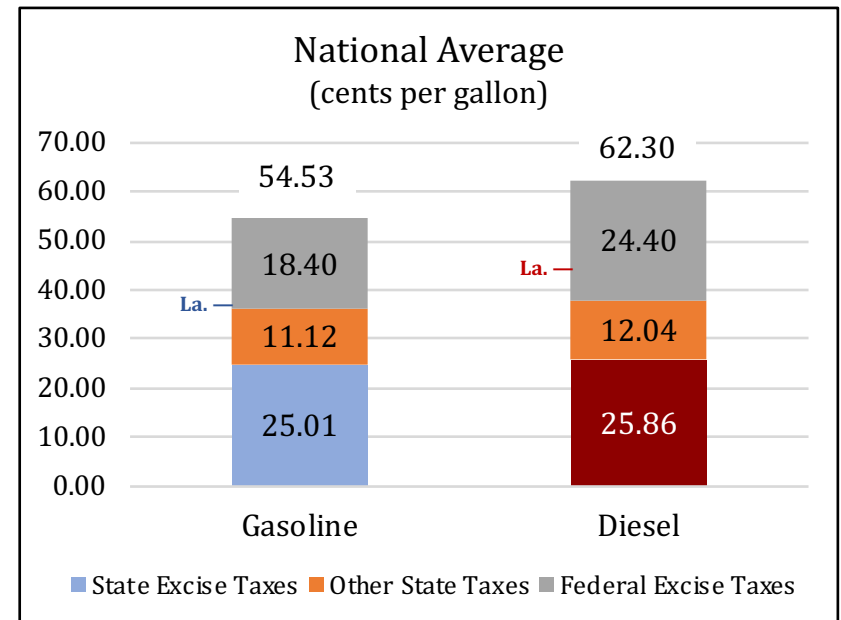
20.01 Total State Taxes/Fees

### Louisiana Diesel 44.41 Total State plus Federal Excise Taxes (@24.4 cents per gallon)

20.00 State Excise Tax

0.01 Other state Taxes/Fees

20.01 Total State Taxes/Fees



Source: American Petroleum Institute; rates effective as of Jan. 1, 2020.

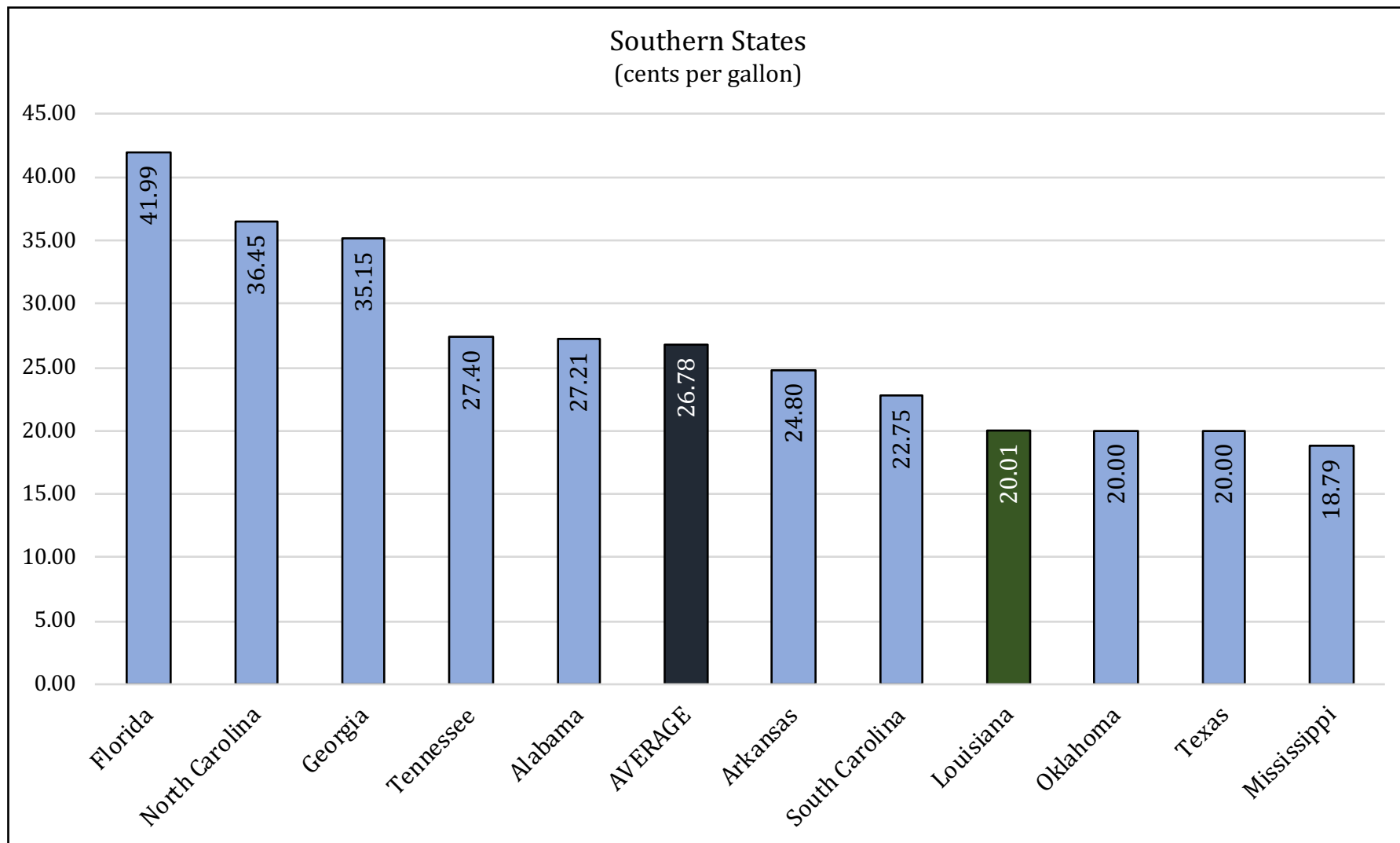
Note: Other fees include a 0.00125 cpg petroleum products fee and a 0.008 cpg motor fuel delivery fee.





# Transportation and Development

## Louisiana Gasoline Taxes vs. Other Southern States



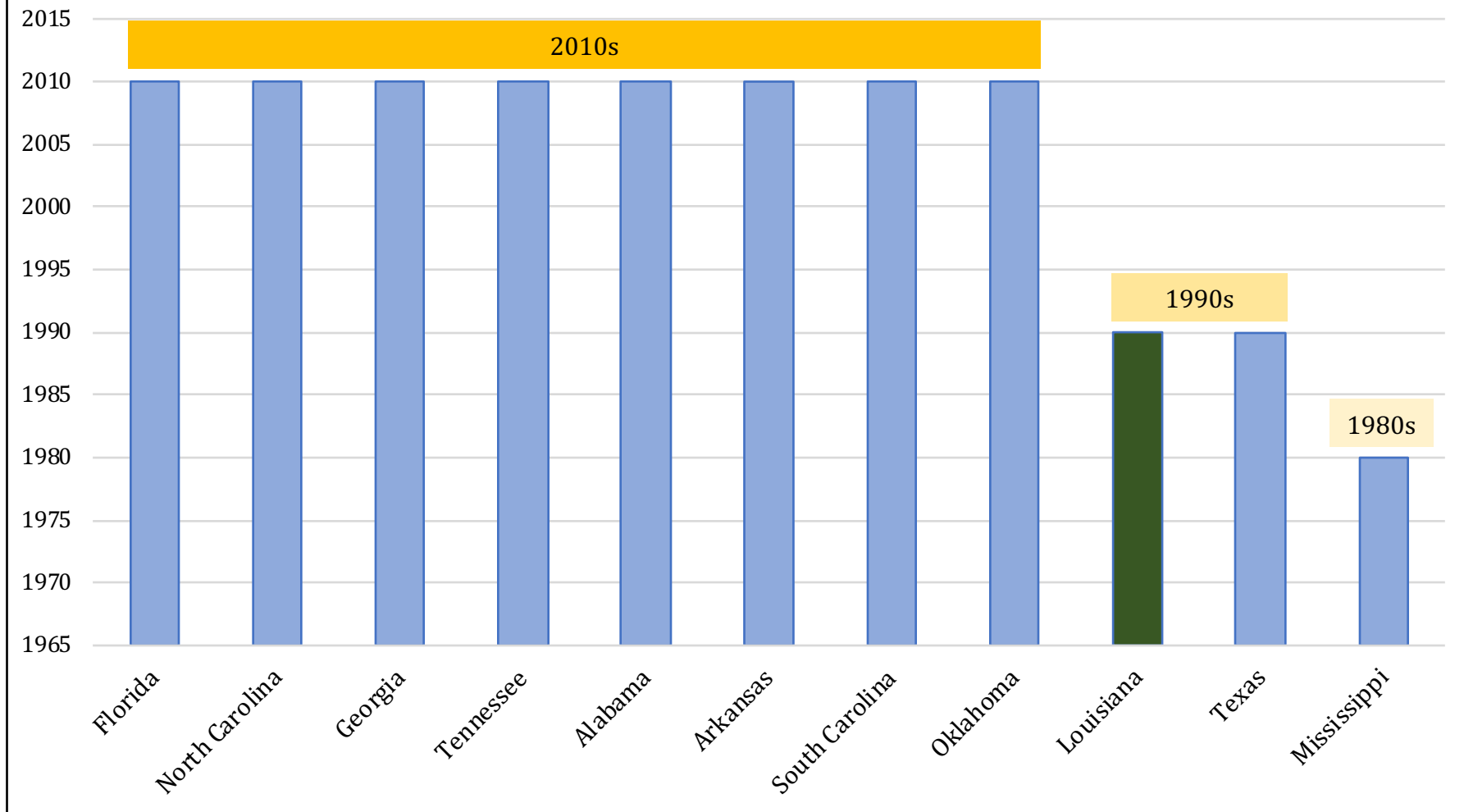
Source: American Petroleum Institute, October 1, 2019



# Transportation and Development

## Louisiana Gasoline Taxes vs. Other Southern States

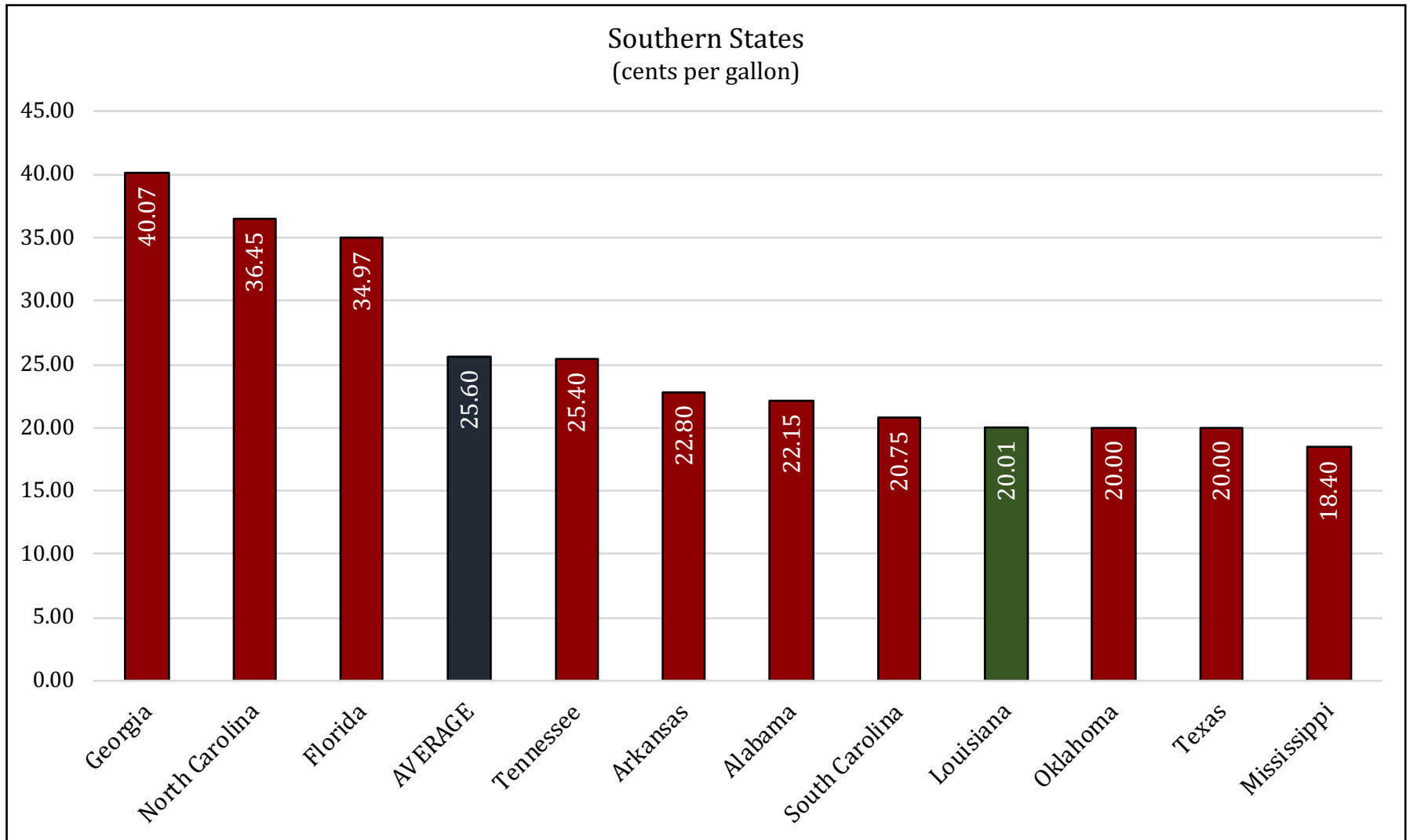
Decade of Most Recent Gas Tax Increase





# Transportation and Development

## Louisiana Diesel Taxes vs. Other Southern States



Source: American Petroleum Institute, October 1, 2019



# Transportation and Development

## Road Funding Issues and Ideas

- Federal Highway Trust Fund
  - *Federal gas tax of 18.4 cents has not been changed since 1993 and isn't tied to the price of gas nor inflation.*
- Fuel consumption is down nationwide
  - *National fuel economy standards are 37.7 mpg in 2019 and will rise to 49.7 mpg in 2026*
  - *More fuel efficient vehicles (or electric/hybrid vehicles) mean less gas purchased which means less gas tax revenue for states*
  - *Public transportation usage*
  - *Ride sharing services*
- Other ideas
  - *Road Use Charges*
    - *Link transportation taxes to actual use of roadways instead of traditional fuel taxes*
    - *Mileage-based user fees*
    - *Vehicle miles travelled fees*
  - *Variable-rate fuel taxes*
    - *Percentage taxes on the wholesale or rack price of gas*
    - *Adjust a price-per-gallon tax to the consumer price index or to the state's inflation*
    - *Apply the state's general sales tax rate to gasoline*
    - *Link the gas tax to fuel efficiency standards*
  - *Fees on hybrid and electric vehicles*
  - *Other alternatives such as tolls, design-build projects, public-private construction partnerships, state infrastructure banks, etc.*



# Transportation and Development

## Enacted Appropriation vs. Actual Expenditure Analysis — FY17 to FY19

The following charts show Enacted vs. Actual budget comparisons for the specified fiscal years. Rarely are these totals exactly the same. The differences can be attributed to a number of reasons: revenue that was not collected, and therefore, expenditures that could not be made; unanticipated revenue shortfalls that may require a supplemental appropriation; expenditure authority that was anticipated to be needed but the expense never materialized; etc.

Transportation and Development	FY17 Enacted	FY17 Actual	FY17 Difference
State General Fund	\$0	\$0	\$0
Interagency Transfers	\$11,910,000	\$3,922,181	(\$7,987,819)
Fees and Self-generated Revenues	\$28,182,415	\$22,769,329	(\$5,413,086)
Statutory Dedications	\$531,244,581	\$515,630,877	(\$15,613,704)
Federal	\$23,496,792	\$15,733,689	(\$7,763,103)
<b>TOTAL</b>	<b>\$594,833,788</b>	<b>\$558,056,076</b>	<b>(\$36,777,712)</b>

Note 1 – Negative *Difference* numbers show excess budget authority or less revenue than anticipated.

Transportation and Development	FY18 Enacted	FY18 Actual	FY18 Difference
State General Fund	\$0	\$0	\$0
Interagency Transfers	\$8,910,000	\$5,865,860	(\$3,044,140)
Fees and Self-generated Revenues	\$28,182,415	\$23,920,872	(\$4,261,543)
Statutory Dedications	\$555,545,231	\$525,881,572	(\$29,663,659)
Federal	\$24,374,691	\$19,101,561	(\$5,273,130)
<b>TOTAL</b>	<b>\$617,012,337</b>	<b>\$574,769,865</b>	<b>(\$42,242,472)</b>

Note 2 — Cells highlighted in yellow mean more funding was needed or that a funding source was underbudgeted.

Transportation and Development	FY19 Enacted	FY19 Actual	FY19 Difference
State General Fund	\$ -	\$ -	\$0
Interagency Transfers	\$ 15,242,612	\$ 9,348,911	(\$5,893,701)
Fees and Self-generated Revenues	\$ 28,182,415	\$ 25,860,263	(\$2,322,152)
Statutory Dedications	\$ 560,381,094	\$ 524,724,849	(\$35,656,245)
Federal	\$ 24,632,793	\$ 19,437,134	(\$5,195,659)
<b>TOTAL</b>	<b>\$ 628,438,914</b>	<b>\$ 579,371,157</b>	<b>(\$49,067,757)</b>

In any given year, DOTD tends to be overbudgeted in all means of finance, but particularly Statutory Dedications.



# Impact from COVID-19

## Operational and Financial Impacts

- Provided traffic control devices, lighting, and signage for remote testing centers, isolation sites, and the convention center in New Orleans, and including a liaison officer at the transportation desk across from the convention center.
- Total cost estimates are \$126,535, which includes \$92,645 for labor; \$10,549 for equipment; and \$23,340 for materials.

## CARES Act funding

- No direct funding to the department for its operations.
- \$40 million grant for rural transit providers.
  - This funding will flow through DOTD's Public Transportation Section to the providers.
  - Funding will be disbursed as FY20 contract amendments with the providers.
  - DOTD will not require additional budget authority for FY20 to process payments, which are estimated at \$5.3 million.
    - *FY21 projected payments = \$20 million (roughly \$10 million more than budget authority)*
    - *FY22 projected payments = \$14.7 million*
- The CARES Act also provides \$83.8 million for state airports (FAA) and \$123.2 million for urban transport providers (FTA).
  - This funding will flow directly from federal agencies to the entities themselves, bypassing DOTD.

## FY20 Transportation Trust Fund Impact

- At the May 11, 2020 REC meeting, the TTF for FY20 was forecast to decrease by \$50.7 million to \$473.8 million in the LFO Forecast, which was adopted by the conferees.
  - Other impacts to the TTF from other funding streams include a reduction of \$2.1 million to \$52.1 million from motor vehicle licenses in the LFO forecast.
  - Aviation fuel tax was forecast to remain the same at \$29.8 million, and TTF interest and fees was projected to increase by \$1.5 million to \$36.1 million.



# Impact from COVID-19

## Operational and Financial Impacts *(continued)*

### FY21 Transportation Trust Fund Impact

- At the May 11, 2020 REC meeting, the TTF for FY21 was forecast to decrease by \$41.7 million to \$490.4 million in the LFO Forecast, which was adopted by the conferees.
  - Other impacts to the TTF from other funding streams include a reduction of \$2.1 million to \$52.9 million from motor vehicle licenses in the LFO forecast.
  - Aviation fuel tax was forecast to remain the same at \$29.8 million, and TTF interest and fees was projected to increase by \$0.7 million to \$35.3 million.

### Potential Future Funding Stream

- \$49.95 billion has been requested by state transportation departments and the American Association of State Highways and Transportation Officials (AASHTO) in Phase 4 of the Federal Response to coronavirus.
  - This funding is intended to be a revenue backstop for state transportation departments due to decreased vehicle travel and fuel purchasing during the quarantine.
    - *National traffic analysis from INRIX shows an overall decrease of 39 percent in April, although commercial truck traffic was down only 13.5 percent -- these reductions will decrease gas tax revenue.*
  - DOTD expects actual gas tax revenue data this month from the Department of Revenue.

### Operating Budget Impacts FY20 and FY21

- FY20 – No immediate concerns, but that could change as the session continues.
- FY21 – Reduction of up to \$33.9 million.
  - Potential effects include elimination of non-essential travel; reduce training and research at LTRC; reduced professional services contracts; reduced Interagency Transfers for OTS initiatives; and reduced Other Charges (such as decreased mowing, litter pick up, herbicide treatments, asphalt leveling, supplies, and purchases of equipment).





# Impact from COVID-19

## Operational and Financial Impacts *(continued)*

### Capital Budget Impacts FY21

- DOTD reports that it needs the proposed FY20 State General Fund surplus funding of \$115 million to meet the state match requirement for the Highway Priority Program and the Mississippi River Deepening Project (MRDP).
  - Highway Priority Program = \$100 million
    - *Funding will be used to let currently programmed projects and to potentially advance additional projects through August 2020 redistribution.*
  - Mississippi River Deepening Project = \$15 million
    - *Funding will be used to augment \$15 million currently provided to reach \$30 million in state match for the project's Phase 1 contract which is to be awarded in August 2020.*
- The department believes capital outlay projects will be impacted if the SGF surplus is diverted elsewhere.
  - MRDP will receive only \$15 million in state match.
  - DOTD will not be able to take advantage of the August 2020 redistribution of federal funding.
  - Depending on actual revenue collections, the Capital Outlay Highway Program could be reduced by \$80 million causing delay on over 100 projects.
- Non-Highway Capital Programs could be reduced by \$5.9 million:
  - Flood Control Program (\$2 m.) and Port Priority Program (\$3.9 m.).



# Transportation and Development

## House Amendments to HB 105

House Amendments to HB105						
HB 105	State General Fund	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal	TOTAL
Original	\$0	\$12,579,338	\$26,188,285	\$572,252,638	\$21,632,793	\$632,653,054
Appropriations Amendments:	State General Fund	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal	TOTAL
Administration	\$0	\$0	\$0	\$0	\$0	\$0
Engineering and Operations	\$0	\$0	\$0	\$0	\$0	\$0
Engrossed	\$0	\$12,579,338	\$26,188,285	\$572,252,638	\$21,632,793	\$632,653,054
House Floor Amendments:	State General Fund	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal	TOTAL
No amendments	\$0	\$0	\$0	\$0	\$0	\$0
Re-engrossed	\$0	\$12,579,338	\$26,188,285	\$572,252,638	\$21,632,793	\$632,653,054
<i>Difference HB105 Original to HB105 Re-engrossed</i>	\$0	\$0	\$0	\$0	\$0	\$0
<i>FY21 Proposed</i>	\$0	\$12,579,338	\$26,188,285	\$572,252,638	\$21,632,793	\$632,653,054
<i>Difference HB105 Original to FY21 Proposed</i>	\$0	\$0	\$0	\$0	\$0	\$0
<i>Difference HB105 Engrossed to FY21 Proposed</i>	\$0	\$0	\$0	\$0	\$0	\$0
<i>Difference HB105 Re-engrossed to FY21 Proposed</i>	\$0	\$0	\$0	\$0	\$0	\$0

There were no House amendments to DOTD for the FY21 budget.

HB1 Original is the same total as HB105 Re-engrossed at \$632,653,054.