

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0139-01
Bill No.: SB 26
Subject: Roads and Highways; Transportation Department; Motor Vehicles; Law Enforcement Officers and Agencies
Type: Original
Date: March 5, 2007

Bill Summary: This proposal allows the Department of Transportation to construct toll roads under certain conditions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Missouri Department of Transportation (MoDOT)** assume this enabling legislation would authorize the Missouri Highway and Transportation Commission (MHTC) to conduct feasibility studies as well as construct, operate and maintain toll facilities and impose and collect any toll, fee, tax or other charge for its use. The toll facilities would be funded from toll facility revenue bonds issued by MHTC. The bonds would not be an obligation of the state. When the bonds issued for a particular facility have been paid, the toll for that facility will be discontinued and the facility will become part of the free state highway system. Proceeds from the sale of toll facility revenue bonds, as well as tolls and other revenues derived from toll facilities, would be credited to toll facility funds and used for the payment of principal and interest on the bonds, as well as for the payment of costs associated with the establishment of toll facilities. All funds shall have separate accounts dedicated for specific toll facility projects and there is no commingling of the funds in these accounts. Under this proposal, MHTC may transfer funds from the State Road Fund (SRF) in the event revenues from a toll facility are inadequate, if necessary to meet current bond principal and interest obligations, or to initially pay for feasibility studies for toll facilities. Any transfers from the SRF are to be repaid in full with interest. The toll provisions in this enabling act shall only become effective upon approval by the voters of a constitutional amendment authorizing toll roads.

This legislation would provide MHTC with an alternative method to partially fund and build needed transportation facilities in the state. There would be no fiscal impact on MHTC/MoDOT from this legislation until MHTC decides to pursue the construction of a toll facility.

Oversight assumes this proposal would provide additional statutory parameters on the authority of the Missouri Highway and Transportation Commission (MHTC) and Missouri Department of Transportation (MoDOT) to build, improve, operate and maintain toll facilities. Oversight assumes this proposal would become effective upon passage of a constitutional amendment allowing toll roads. Oversight assumes this proposal would have no fiscal impact from this legislation on MHTC /MoDOT until MHTC/MoDOT decides to pursue construction of a toll facility.

Officials at the **Department of Revenue (DOR)** assume this proposal allows a court to issue an order to void a registration and prohibit subsequent registrations until all toll fees and fines/penalties have been paid if a motor vehicle owner is convicted for failing to pay a toll fee. DOR is unable to determine the actual number of individuals who pay toll fees, and subsequently unable to determine of those individuals that are convicted for not paying how many the court would order the registration voided.

ASSUMPTION (continued)

DOR would require one (1) Revenue Licensing Technician II and supporting expense and equipment for every 85,000 records that will require "voiding". This FTE will void the record and issue a notice. DOR would also incur costs for printing, envelopes and postage for each voided registration notice. Printing, envelopes and postage will cost \$.438 per voided registration. Once an individual has paid the required toll fee and fines/penalties they will be required to obtain a new set of plates. DOR would incur costs of \$3.04 per set of plates and tabs issued. DOR would require one (1) Telephone Information Operator for every 20,000 calls received regarding these types of voided registrations.

Oversight assumes that since this proposal gives MoDOT the option of using toll roads that DOR will only need additional employees and expenses if MoDOT chooses to build a toll road. At that time DOR could request funding through the appropriation process for the expenses of handling the voided registrations and uncollected tolls. Oversight assumes that DOR will have no fiscal impact from this legislation in the current fiscal years.

Officials at the **Office of the State Treasurer (STO)** assume the state accounting system cannot handle accounting for separate accounts within a fund, consequently the STO does not distribute interest below the level proposed in this legislation. This may be an insignificant problem, since it appears that MoDOT can withdraw all moneys on deposit in the treasury and contract for their handling.

Officials at the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials of the **Office of the Secretary of State (SOS)** state many joint resolutions are considered by the General Assembly that would require the SOS to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. Funding for this item is adjusted each year depending upon the election cycle with \$1.6 million historically appropriated in even numbered fiscal years and \$100,000 appropriated in odd numbered fiscal years to meet these requirements. The appropriation has historically been an estimated appropriation because the final cost is dependent upon the number of ballot measures approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2006 at the August and November elections there were 6 statewide Constitutional Amendments or ballot propositions that cost \$1 million to publish (an average of \$167,000 per issue). Therefore, the SOS assumes, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. However, because these requirements are

ASSUMPTION (continued)

mandatory, we reserve the right to request funding to meet the cost of our publishing requirements if the Governor and the General Assembly change the amount or eliminate the estimated nature of our appropriation.

Oversight assumes the SOS could absorb the costs of advertising the statewide ballot measure related to this proposal within their current appropriation level. If multiple bills pass or if multiple ballot initiatives are validated which require similar advertising at substantial costs, the SOS could request funding through the appropriation process.

Officials of the **Office of Administration's Budget and Planning, State Tax Commission, Department of Public Safety, Missouri Highway Patrol and Office of the State Courts Administrator** each assume there is no fiscal impact on their departments from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

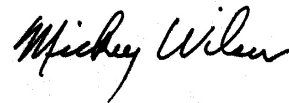
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Department of Transportation
Department of Revenue
Office of the State Treasurer
Office of the Attorney General
Office of the Secretary of State
Office of Administration's Budget and Planning
State Tax Commission
Department of Public Safety
Missouri Highway Patrol
Office of the State Courts Administrator



Mickey Wilson, CPA
Director
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