

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0693-01
Bill No.: SB 193
Subject: Transportation; Transportation Dept.; Roads and Highways
Type: Original
Date: February 5, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Office of the State Treasurer, Department of Revenue, Bi-State Development, Office of Administration–Division of Accounting and Division of Budget and Planning** assume this proposal would have no fiscal impact on their agencies.

Officials with the **Department of Transportation (DOT)** assume that under the current provisions of the Missouri Constitution, the Missouri Highways and Transportation Commission (MHTC) does not have authority to expend monies from the State Road Fund for the construction, operation or maintenance of toll facilities, such as toll bridges or toll highways. A constitutional amendment would need to be adopted by Missouri voters before MHTC could expend monies for this purpose.

DOT further assumes this proposal could provide enabling legislation for the construction, operation and maintenance of toll facilities by MHTC. 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.

ASSUMPTION (continued)

The legislation also establishes specific funds to account for toll-related revenues and expenditures. 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 other costs associated with the establishment of toll facilities.

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

Oversight notes that this proposal could allow MHTC to transfer funds from the State Road Fund in the event revenues are inadequate to keep the state toll facility revenue fund solvent. Any transfers from the State Road Fund are to be repaid in full with interest.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Possible direct fiscal impact to small businesses could be expected as a result of this proposal due to the potential costs to small businesses that could be realized through increased transportation costs to use toll facilities.

DESCRIPTION

This proposal enables the Highways and Transportation Commission to fund, construct and operate toll roads, toll bridges and other facilities connected with toll roads and bridges. It is contingent upon the approval of a constitutional amendment authorizing the commission to fund, construct, and operate toll facilities.

The commission is authorized to issue revenue bonds and refunding bonds for toll facilities. No more than \$500 million in bonds may be outstanding at any one time. The bill exempts the interest on the bonds from taxation by the state except for the estate tax.

Construction, operation, and retirement of debt in connection with toll facilities will be handled in three funds.

The State Toll Facility Construction Fund will receive the proceeds from the sale of state road revenue bonds and moneys from other sources to be used to pay for the construction of toll facilities.

The State Toll Facility Revenue Fund will receive state revenue from toll facilities.

The State Toll Facility Bond and Interest Sinking Fund will receive funds from the State Toll Facility Revenue Fund which are in excess of what is needed to operate toll facilities. These funds will be used to pay principal and interest on the bonds. If there are insufficient funds to do that, the commission is given authority to transfer moneys from the State Road Fund sufficient to make such payments.

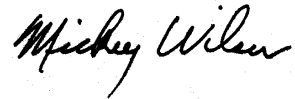
The commission will establish segregated accounts within the various funds to keep the financing of projects separated from each other. It has authority to make transfers between funds and accounts.

When the bonds issued for a particular toll facility are paid off, the facility will continue in the state transportation system as a free facility.

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

Department of Transportation
Office of Administration
 Division of Budget and Planning
 Division of Accounting
Office of the State Treasurer
Department of Revenue
Bi-State Development

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 5, 2003