

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1838-01
Bill No.: HB 1198
Subject: Transportation; Department of Transportation
Type: Original
Date: April 21, 2015

Bill Summary: This proposal specifies that no appropriation from General Revenue to the Department of Transportation shall be expended if the Department has spent funds from the State Road Fund for the same or like purposes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2016	FY 2017	FY 2018	Fully Implemented
General Revenue	\$0 or (\$26,300,000)	\$0 or (\$31,600,000)	\$0 or (\$36,700,000)	\$0 or (\$390,100,000)
Total Estimated Net Effect on General Revenue	\$0 or (\$26,300,000)	\$0 or (\$31,600,000)	\$0 or (\$36,700,000)	\$0 or (\$390,100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2016	FY 2017	FY 2018	Fully Implemented
State Road Fund	\$0 or \$26,300,000	\$0 or \$31,600,000	\$0 or \$36,700,000	\$0 or \$390,100,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or \$26,300,000	\$0 or \$31,600,000	\$0 or \$36,700,000	\$0 or \$390,100,000

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2016	FY 2017	FY 2018	Fully Implemented
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2016	FY 2017	FY 2018	Fully Implemented
Total Estimated Net Effect on FTE	FTE	FTE	FTE	FTE

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2016	FY 2017	FY 2018	Fully Implemented
Local Government	\$0	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials from the **Office of Administration** defer to the **Department of Transportation** to estimate the fiscal impact of the proposed legislation on their respective organization.

Officials from the **Department of Transportation (MoDOT)** assume this proposal appropriates money from the General Revenue Fund to MoDOT for Administration, Maintenance, Construction, FFIS, and Multimodal expenses over a period of years based on a base calculation as long as net general revenue collected in the previous fiscal year exceeds the highest amount of net general revenue collected in any of the three prior fiscal years by at least \$150 million.

MoDOT officials assume based on FY 2014 actuals, there would have to be considerable growth in general revenue for this proposal to occur. MoDOT officials interpreted bill language which states total fringes personal services and expense and equipment as the total fringe benefits regardless of appropriation.

General Revenue Transferred to Transportation Department (in Millions) if the trigger occurs.

Fiscal Year 1	\$ 26.3
Fiscal Year 2	\$ 31.6
Fiscal Year 3	\$ 36.7
Fiscal Year 4	\$ 41.9
Fiscal Year 5	\$ 47.1
Fiscal Year 6	\$ 91.3
Fiscal Year 7	\$ 135.5
Fiscal Year 8	\$ 179.6
Fiscal Year 9	\$ 222.5
Fiscal Year 10	\$ 390.1

ASSUMPTION (continued)

Oversight notes that appropriations to the Department of Transportation from the General Revenue Fund in the FY 2015 are as follows:

Urban, Small Urban, and Rural Transportation systems	\$1,000,000
Operating subsidy for not-for-profit transporters of the elderly, people with disabilities, and low-income individuals	\$1,194,129
Rail Program	\$10,400,000
Levee System Surrounds	\$2,000,000
Port Authorities	\$3,000,000
Total	\$17,594,129

Oversight assumes if in any year the General Assembly makes an appropriation from the General Revenue Fund to the Department of Transportation, the Department shall not expend any amount from the appropriation if in the same fiscal year it has spent funds from the State Road Fund for the same or like purposes. Oversight assumes the provisions of this proposal will be triggered if the amount of net general revenue collected in the previous fiscal year exceeds the highest amount of net general revenue collected in any of the three fiscal years prior to such fiscal year by at least one hundred fifty million dollars.

Oversight will reflect a transfer out of the General Revenue Fund of \$0 (the provisions of this proposal are not triggered) or a negative estimate provided by MoDOT (the provisions of this proposal are triggered). Oversight will also reflect a transfer in to the State Road Fund of the same amounts.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018	Fully Implemented
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GENERAL REVENUE

<u>Transfer to - State Road Fund</u>	\$0 or <u>(\$26,300,000)</u>	\$0 or <u>(\$31,600,000)</u>	\$0 or <u>(\$36,700,000)</u>	\$0 or <u>(\$390,100,000)</u>
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ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	\$0 or <u>(\$26,300,000)</u>	\$0 or <u>(\$31,600,000)</u>	\$0 or <u>(\$36,700,000)</u>	\$0 or <u>(\$390,100,000)</u>
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STATE ROAD FUND

<u>Transfer In - from General Revenue</u>	\$0 or <u>\$26,300,000</u>	\$0 or <u>\$31,600,000</u>	\$0 or <u>\$36,700,000</u>	\$0 or <u>\$390,100,000</u>
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ESTIMATED NET EFFECT TO THE STATE ROAD FUND	\$0 or <u>\$26,300,000</u>	\$0 or <u>\$31,600,000</u>	\$0 or <u>\$36,700,000</u>	\$0 or <u>\$390,100,000</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018	Fully Implemented
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill specifies that in any year that the General Assembly makes an appropriation from the General Revenue Fund to the Department of Transportation, the department cannot expend any amount from the appropriation if it has spent funds from the state road fund for like purposes in that same fiscal year.

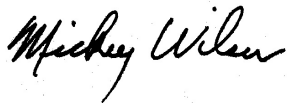
FISCAL DESCRIPTION (continued)

The bill will not go into effect until the net general revenue collected in the previous fiscal year exceeds the highest amount of net general revenue collected in any of the three previous fiscal years by at least \$150 million. The implementation of the use of general revenue for paying for certain areas of the department's budget is specified in the bill.

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

Office of Administration
Department of Transportation



Mickey Wilson, CPA
Director
April 21, 2015

Ross Strobe
Assistant Director
April 21, 2015