

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3624-01
Bill No.: HJR 45
Subject: Constitutional Amendments: Roads and Highways
Type: Original
Date: January 21, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue	(\$73,680)	(\$61,593,000)	(\$61,593,000)
Total Estimated Net Effect on General Revenue Fund	(\$73,680)	(\$61,593,000)	(\$61,593,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Highway	\$0	\$61,593,000	\$61,593,000
Total Estimated Net Effect on <u>All</u> <u>Other</u> State Funds	\$0	\$61,593,000	\$61,593,000

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Transportation** savings to the Highway Fund of about \$61,593,000 beginning in FY 2006 based on appropriations for other agencies in FY 2003.

Officials of the **Department of Natural Resources** noted that their core budget from the Highway Fund was \$80,997. Monies are used to review environmental impact statements for transportation projects.

Officials of the **Department of Public Safety - Missouri State Highway Patrol** assumed, in response to a similar proposal, that the proposal would continue funding for their agency at approximately current levels..

State Treasurer officials note that their office was appropriated \$464,135 from the Highway Fund for 12.5 FTE and their equipment and expense.

Officials of the **Department of Revenue** stated that their agency was appropriated \$47,386,0169 from the Highway Fund for FY 2004. They noted that there were appropriations of \$19,219,423 (estimated) for refunds of motor fuel taxes, \$1,147,711 (estimated) for refunds of other Highway Fund taxes and fees, \$275,000 for the Commercial Driver License Information System, \$60,000 for the Problem Driver Pointer System, and \$15,000 for Attorney fees. Total would be \$68,103,150..

ASSUMPTION (continued)

Oversight notes that the proposal, as written, could be interpreted as reducing appropriations to the Department of Transportation to zero beginning in FY 2006. Officials of the **Office of Administration - Division of Budget and Planning** note that under this interpretation, savings to the Highway and Road fund and corresponding costs to the General Revenue Fund would be \$1,726,791,316, based on FY 2004 appropriations. For fiscal note purposes, it is assumed that the Department of Transportation would continue to be funded as it is now and that Highway Fund savings will be “made up” to other agencies from the General Revenue Fund.

Secretary of State officials stated that advertisement costs for the proposal would be \$3,684 per column inch for three printings of the text of the proposal, the introduction, fiscal note summary, and affidavit. The proposal would be on the ballot for the November 2004 general election.

<u>FISCAL IMPACT - State Government</u>	FY 2005	FY 2006	FY 2007
GENERAL REVENUE FUND			
<u>Cost</u> to Secretary of State			
Newspaper Advertisements	(\$73,680)	\$0	\$0
<u>Cost</u> - Various Agencies to replace Highway Fund moneys	\$0	(\$61,593,000)	(\$61,593,000)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$73,680)</u>	<u>(\$61,593,000)</u>	<u>(\$61,593,000)</u>
HIGHWAY FUND			
<u>Savings</u> - Various State Agencies	\$0	\$61,593,000	\$61,593,000
ESTIMATED NET EFFECT ON HIGHWAY FUND	<u>\$0</u>	<u>\$61,593,000</u>	<u>\$61,593,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005	FY 2006	FY 2007
	<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.

DESCRIPTION

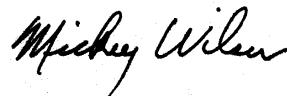
This proposal would prevent state agencies except for the Highway Patrol from receiving state road funds appropriations beginning in the fiscal year following voter adoption of the proposal.

The proposal would also require the Office of Administration and the Department of Transportation to track new state revenues derived from highway users due to actions of the General Assembly or of the voters taken after January 1, 2005, and to track all projects funded or partly funded by those new state revenues. The Commissioner would regularly review projects funded by the new state revenues and if it were determined that any project was not at least eighty percent (80%) complete within five (5) years of the project's initial approval then the Commissioner would report this fact to the General Assembly and instruct the Director of Revenue to cease collections of new state revenue attributable to the project within sixty (60) calendar days.

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

SOURCES OF INFORMATION

Department of Natural Resources
Department of Public Safety - Missouri State Highway Patrol
Department of Revenue
Department of Transportation
Office of Administration - Division of Budget and Planning
State Treasurer
Secretary of State



Mickey Wilson, CPA
Director
January 21, 2004