

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4707-02  
Bill No.: SB 752  
Subject: Transportation; Transportation Dept.; Roads and Highways; Motor Vehicles  
Type: Original  
Date: February 21, 2012

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Bill Summary: This proposal authorizes the Missouri Highways and Transportation Commission to form a Public-Private Partnership by contract with private partners to finance, develop and operate Interstate 70 as a toll facility.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Missouri Senate, Joint Committee on Administrative Rules, Governor's Office, Office of State Courts Administrator, Department of Corrections, Missouri Highway Patrol and Department of Insurance, Financial Institutions and Professional Registration** assume there will be no impact to their agencies.

Officials from the **Office of Administration - Division of Budget and Planning** assume this proposal should not result in additional costs or savings to the Division of Budget and Planning. However, the fees generated from this proposal are likely to exceed the current constitutional cap of \$80.2 million established by Article X, Section 18e, of the Missouri Constitution, conflicting with the portion of this constitutional provision requiring a public vote. Conflict with Article X, sections 1 and 2, could also be an issue if toll road user fees are considered a state tax.

Officials from the **City of Columbia** cannot determine the impact, including the level of assistance that may be available from the City; the impact of construction worker payroll on City funds; or the impact of fund losses if drivers choose roads other than I-70 to avoid tolls.

Officials from **St. Louis County** assume there will be no fiscal impact to their county.

Officials from the **Division of Labor and Industrial Relations (DOLIR)** assume the proposal authorizes the Missouri Highways and Transportation Commission to form a Public-Private Partnership by contract with private partners to finance, develop and operate Interstate 70 as a toll facility.

The DOLIR has approximately 50 - 100 employees that travel I-70 to conduct work related matters on a regular basis. The DOLIR would incur a cost associated with adding a toll facility to this Interstate each time an employee used the road to conduct business related matters. The DOLIR is unable to provide an exact fiscal impact at this time; however, anticipates that it would be less than \$100,000 a fiscal year.

**Oversight** assumes this is beyond the scope of the fiscal note therefore, the initial impact would be \$0. The proposal merely authorizes the Missouri Highways and Transportation Commission to form a Public-Private Partnership by contract with private partners to develop and operate Interstate 70 as a toll facility. **Oversight** also assumes state agencies may not be charged tolls when using a state vehicle and therefore, if this occurs the impact would also be \$0.

ASSUMPTION (continued)

Officials from the **Department of Transportation (MoDOT)** anticipate no fiscal impact because the proposal gives the MoDOT the authority to enter into an agreement but the MoDOT has no such agreement at the present time.

Officials from the **Department of Revenue** assume the following potential tax impacts:

Section 227.745:

Exempts interest on bonds from state taxation. This would be similar to the tax exempt status of municipal bonds, which are already exempt unless the income was received from a non Missouri source. It is anticipated that this would not have an impact.

Section 227.746:

Excludes revenues from any state tax. This would not necessarily reduce total state income, but if the revenues were not exempt it would have a positive impact on total state income. However, any public entity would generally be exempt from any tax, so this basically extends that exemption to the private entity that is completing this project under the direction of the Commission. It is anticipated that this would not have an impact.

Section 227.746:

Also excludes sales tax on purchases made by the private partner to complete the project. This would not necessarily reduce total state income, but if the purchases were not exempt it would have a positive impact on total state revenue. There is a similar exemption in 144.054 for sections 227.600 to 227.669. It is anticipated that this would not have an impact.

Officials from the **City of Kansas City** assume there should be no loss in revenue experienced by this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<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.

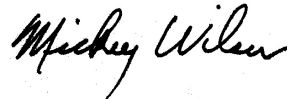
FISCAL DESCRIPTION

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

Office of Administration -  
    Division of Budget & Planning  
State Treasurer's Office  
Governor's Office  
Joint Committee on Administrative Rules  
Missouri Senate  
Office of State Courts Administrator  
Department of Revenue  
City of Kansas City



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