Fiscal Note

2007 General Session

State of Utah

State Impact

Enactment of this bill will require the Division of Finance to deposit $90,000,000 of sales and use taxes annually into the newly created Critical Highway Needs Fund that would otherwise have been deposited into the General Fund. A general obligation bond, or a series of bonds totaling $1,000,000,000 (plus issuance costs) will be issued for highway projects. Assuming a standard fifteen-year repayment period with flattened payments at today's interest rates, when the full amount of bonding authority is issued, there will be fifteen annual payments of approximately $86,800,000 each plus first year interest costs of $19,000,000. While the entire bond is unlikely to be issued at once, these numbers show how total debt service will level out when all bonds are issued. The actual debt service schedule will vary according to how the bonds are structured. This bill exempts certain transfers or appropriations for transportation projects from certain appropriations limit provisions.

	FY 2007 Approp.	FY 2008 Approp.	FY 2009 Approp.	FY 2007 Revenue	FY 2008 Revenue	FY 2009 Revenue
General Fund	$0	$0	$0	$0	($90,000,000)	($90,000,000)
Transportation Fund Restricted	$0	$19,000,000	$86,800,000	$0	$90,000,000	$90,000,000
Bonding	$0	$0	$0	$0	$1,000,000,000	$0
Total	**$0**	**$19,000,000**	**$86,800,000**	**$0**	**$1,000,000,000**	**$0**

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.