
H.B. 383 1st Sub. (Buff) - Amendments to Transportation Funding Provisions

Fiscal Note

2007 General Session

State of Utah

State Impact

Provisions of this bill reallocates the 1/16 per cent sales tax revenue dedicated to B & C class roads, corridor preservation and state park highway access to the Transportation Fund. The amount currently being deposited to those purposes is the lesser of 1/16 per cent sales and use tax or \$18,743,000. Currently a 1/16% is estimated to be \$24,700,000 and through provisions of the bill would be deposited into the Transportation Fund. By removing the cap currently defined in statute, an estimated \$5,957,000 will be diverted from the General Fund to the Transportation Fund. The bill also changes the calculation of the funds deposited to the B & C Road Fund by applying 30% to revenue deposited to the Transportation Fund from state highway user taxes, fees, and sales and use taxes. The increased 5% distribution rate is expected to increase transfers to local governments for B & C roads by \$2,394,500 annually. The net result to UDOT in FY 2008 is estimated to be an increase of \$3,562,500 in funding available to the Department of Transportation for state highways, corridor preservation, and State Park Highway access. If adjustments are necessary through the hold harmless provision of the bill, distribution will be apportioned within the amount available using the 30% formula.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>
General Fund	\$0	\$0	\$0	\$0	(\$5,957,000)	(\$6,195,300)
Transportation Fund	\$0	\$3,562,500	\$3,800,800	\$0	\$0	\$0
Other	\$0	\$2,394,500	\$2,394,500	\$0	\$0	\$0
Total	\$0	\$5,957,000	\$6,195,300	\$0	(\$5,957,000)	(\$6,195,300)

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals or businesses. Local governments are expected to see a net increase of \$2,394,500 through the distribution of B & C Road Funds in FY 2008.