

FISCAL NOTE

H.B. 377 1st Sub. (Buff)

SHORT TITLE: Transportation Funding Modifications

SPONSOR: Dee, B. (Adams, J. S. Sub.)

2013 GENERAL SESSION

STATE GOVERNMENT (UCA 36-12-13(2)(b))

To complete the identified \$336,750,000 projects in this bill, it is estimated to cost \$46,750,000 from the Transportation Investment Fund of 2005 and the issuance of \$290,000,000 of General Obligation Bonds. Bonding authority was previously authorized by Title 63B-18-401 and is amended in this bill, which is backed by the faith and credit of the State, for transit projects, construction of state and local highways, and loan funds.

Assuming all of the bonds are issued in FY 2014, with a standard fifteen year repayment period and flattened payments at today's rates, debt service will require approximately \$22,981,000 per year with the first year interest cost of \$4,252,000. Actual debt service will vary according to interest rates at the time of issuance, the structure of the bonds, and number of issuances.

A one-time FY 2014 transfer of \$13,250,000 is required from the Transportation Investment Fund of 2005 to the County of the First Class State Highway Projects Fund.

The bill requires a transfer of 50% of the revenue generated by the local option highway construction and transportation corridor preservation fee imposed under Section 41-1a-1222 (vehicle registration fees) in a county of the first class after DOT has verified the county of the first class bond payments have been made. It is estimated that \$1,000,000 will be available for transfer in FY 2014 and \$4,000,000 in FY 2015.

STATE BUDGET DETAIL TABLE

	FY 2013	FY 2014	FY 2015
Revenue:			
Transportation Fund Restricted	\$0	\$13,250,000	\$0
Total Revenue	\$0	\$13,250,000	\$0
Expenditure:			
Transportation Fund Restricted	\$0	\$51,002,000	\$22,981,000
Transportation Fund Restricted	\$0	\$13,250,000	\$0
Transfers	\$0	\$1,000,000	\$4,000,000
Total Expenditure	\$0	\$65,252,000	\$26,981,000
Net Impact, All Funds (Rev.-Exp.)	\$0	(\$52,002,000)	(\$26,981,000)
Net Impact, General/Education Funds	\$0	\$0	\$0

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LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Local governments may experience an increase in investment on local roads and highways. There will be a transfer of \$1,000,000 in FY 2014 and \$4,000,000 in FY 2015 to the county of the first class.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill likely will not result in direct, measurable expenditures by Utah residents or businesses.

PERFORMANCE NOTE (JR 4-2-404): Not Required