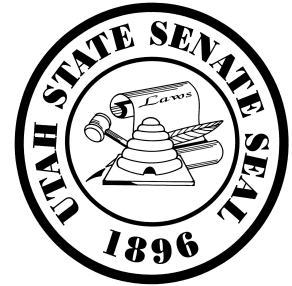




Fiscal Note

S.B. 136

2018 General Session
Transportation Governance Amendments
by Harper, W.



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$0	\$0	\$0

State Government

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

Enactment of this legislation could generate \$49.6 million in FY 2019 and \$60.3 million in FY 2020. Of this amount, \$42 million in FY 2019 and \$49.3 million in FY 2020 would go to the Public Transportation Capital Investment Fund due to the transient room tax rate increasing from 0.32% to 3%, and \$6.5 million in FY 2019 and \$7.5 million in FY 2020 would go to the Public Transportation Capital Investment Fund due to the motor vehicle rental tax increasing from 2.5% to 5%. This bill's increases to motor vehicle registration fees on hybrid and electric vehicles as well as other vehicles, including potential adjustments based on the Consumer Price Index, could generate \$1.08 million in FY 2019 and \$3.5 million in FY 2020 to the Transportation Investment Fund. Enactment of this legislation could also generate additional sales and use tax money to the State if local governments do not impose optional sales and use taxes for transportation equal to at least 1.05%. See the Local Government section.

Revenues	<i>FY 2018</i>	<i>FY 2019</i>	<i>FY 2020</i>
Transportation Fund	\$0	\$3,510,000	\$3,510,000
Transportation Fund, One-Time	\$0	\$(2,431,000)	\$0
New Account Created By Legislation	\$0	\$48,515,400	\$56,763,300
Total Revenues	\$0	\$49,594,400	\$60,273,300

Enactment of this legislation could cost the Department of Transportation \$1.975 million ongoing from the Transportation Fund for an additional 16 FTEs to carry out the additional work required by the bill. This includes an additional deputy director and assistant, 3 additional FTEs in Economic Development Division, 6 FTEs in Strategic Initiatives, and 5 FTEs in Transit Project Development. Additionally, enactment of this legislation could cost the department \$697,500 ongoing from the Transportation Fund for current expenses and corridor planning studies for the new Rules and Standards Division, and \$850,000 one-time from the Transportation Fund in FY 2019 for rules and standards development. Enactment of this legislation could lead to efficiencies due to coordination between stakeholders and projects.

Expenditures	<i>FY 2018</i>	<i>FY 2019</i>	<i>FY 2020</i>
Transportation Fund	\$0	\$2,672,500	\$2,672,500
Transportation Fund, One-Time	\$0	\$850,000	\$0
Total Expenditures	\$0	\$3,522,500	\$2,672,500

Net All Funds	\$0	\$46,071,900	\$57,600,800
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Local Government

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

Enactment of this legislation could impact local governments that have a large transportation district in the county. These localities would either have to impose optional sales taxes for transportation to reach a total of at least 1.05% by July 1, 2022, or the State will be required to impose a tax that increases the rate to 1.05%. It is estimated that these provisions could generate an additional \$129 million for transportation projects in FY 2023. The reduction in the number of board members in a large transportation district could save the district \$1.17 million annually.

Business and individuals could pay an additional \$42 million in FY 2019 and \$49.3 million in FY 2020 in the transient room tax; \$6.5 million in FY 2019 and \$7.5 million in FY 2020 in vehicle rental taxes; \$1.08 million in FY 2019 and \$3.5 million in FY 2020 in vehicle registration fees on hybrid, electric, and certain other vehicles. Individuals and businesses in counties with a large public transit district that currently have lower than 1.05% in local option sales taxes for transportation could pay an additional \$129 million in FY 2023 to reach the 1.05% mark.

Regulatory Impact

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

Performance Note

JR4-2-404

No performance note required for this bill

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.