

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0509-01
Bill No.: HJR 2
Subject: Constitutional Amendments: Roads and Highways
Type: Original
Date: December 30, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue	\$0	(\$87,125)	\$0
Total Estimated Net Effect on General Revenue Fund	\$0	(\$87,125)	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Transportation (MoDOT)** assume that under current constitutional provisions, the Missouri Highways and Transportation Commission (MHTC) does not have the authority to expend State Road Fund moneys for the construction, operation or maintenance of toll facilities, such as toll bridges or toll highways. This proposal would give this authority to the MHTC.

This proposal would authorize the Commission to construct and operate toll facilities. The facilities would be funded from toll facility revenue bonds issued by the Commission. The bonds will not be an obligation of the state. When the bonds issued for a particular facility have been paid, the toll for that facility will be discontinued and the facility will become part of the free state highway system.

Proceeds from the sale of toll facility revenue bonds as well as tolls and other revenues derived from toll facilities would be credited to toll facility funds and used for the payment of principal and interest on the bonds as well as for the payment of costs associated with the establishment of toll facilities. Under terms of this proposal, MHTC could transfer funds from the State Road Fund in the event revenues from a toll facility are inadequate to meet current bond principal and interest obligations, or to initially pay for feasibility studies for toll facilities.

MoDOT officials note that the proposal would provide an alternative method to fund and build ASSUMPTION (continued)

transportation facilities. There would be no effect on MoDOT or the MHTC until the Commission decided to pursue construction of a toll facility. MoDOT officials assume the proposal would have no direct fiscal impact on their agency.

Secretary of State officials stated that advertisement costs for the proposal would be \$3,485 per newspaper column inch for three printings of the text of the proposal, the introduction, title, fiscal note summary, and affidavit. The proposal would be on the ballot for the November 2004 general election.

<u>FISCAL IMPACT - State Government</u>	FY 2004	FY 2005	FY 2006
<u>Cost to General Revenue Fund</u>			
<u>Secretary of State</u>			
Newspaper Advertisements	<u>\$0</u>	<u>(\$87,125)</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2004	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Possible direct fiscal impact to small businesses could be expected as a result of this proposal due to the potential costs to small businesses that could be realized through increased transportation costs to use toll facilities.

DESCRIPTION

This proposal would allow the Highways and Transportation Commission to conduct feasibility studies about toll facilities and to fund, design, acquire, construct, maintain, reconstruct, and operate toll facilities.

It would establish procedures for and limitations on the issuance, collection, and distribution of toll facility revenue bonds or revenue refunding bonds for toll facilities.

When a toll facility had been paid for, all bonds retired, and all transfers from the State Road Fund repaid with interest, the facility would become a part of the free state highway system.

State toll facility revenue bond and refunding bond proceeds, tolls, and other revenues derived
DESCRIPTION (continued)

from the establishment or operation of toll facilities would not be considered part of total state revenue and the expenditure of the revenues would not be considered an expense of state government.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Transportation
Secretary of State



Mickey Wilson, CPA
Director
December 30, 2002