



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 238** HLS 11RS 518
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 22, 2011 4:30 PM	Author: LAMBERT
Dept./Agy.: Public Safety, Office of Motor Vehicles	Analyst: Greg Albrecht
Subject: State Highway Improvement Fund (SHIF)	

FUNDS/FUNDING OR -\$1,900,000 GF RV See Note Page 1 of 1
 Provides relative to deposits into the State Highway Improvement Fund

Current law dedicates registration and license fees and taxes on trucks and trailers to the State Highway Improvement Fund. The Fund is used for state highway system projects that are not eligible for federal highway assistance funding.

Proposed law deletes the reference to trucks and trailers. This makes it clear that all registration and license fees, not otherwise dedicated, are dedicated to the State Highway Improvement Fund.

Effective July 1, 2012.

EXPENDITURES	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	(\$1,900,000)	(\$1,900,000)	(\$1,900,000)	(\$1,900,000)	(\$7,600,000)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$1,900,000	\$1,900,000	\$1,900,000	\$1,900,000	\$7,600,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The Office of Motor Vehicles will incur staff time costs of up to \$5,000 to modify and test the vehicle registration accounting and financial systems.

REVENUE EXPLANATION

The State Highway Improvement Fund (SHIF) was established by Act 708 of 2006 RS (HB 728) with the expectation that all vehicle registration and license fees and taxes, not already dedicated to the Transportation Trust Fund and Highway Fund #2, would be dedicated to this new special fund. Initially, the dedication was to be phased in evenly over four years (FY08 - FY11). Act 11 of 2008 ES2 (SB 11) accelerated the phase-in of the dedication such that 100% would be achieved in FY10 rather than FY11. Over this time period the acceleration of the phase-in was initially missed but was corrected in FY10, and the manual process of allocating International Registration Plan highway reciprocity license collections was missed but was corrected earlier in FY11.

This bill will insure that any other collections not associated with trucks and trailers will be allocated to SHIF. Those affected collections are estimated to be approximately \$1.9 million per year; total license collections estimated for FY12 (\$109 million) less estimated allocations for the Transportation Trust Fund (\$54.3 million), Highway Fund #2 (\$9.2 million), and the State Highway Improvement Fund in the absence of this bill (\$43.6 million).

Senate	<u>Dual Referral Rules</u>	House	
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}	<input checked="" type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	<input checked="" type="checkbox"/> 6.8(F)2 >= \$100,000 Annual SGF Cost {H&S}	 H. Gordon Monk Legislative Fiscal Officer
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}	<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}		