

FISCAL NOTE

Bill #: SB0448

Title: Funding for transportation for senior citizens and persons with disabilities

Primary

Sponsor: Chris Christiaens

Status: Second Reading Second House

Sponsor signature

Date

Chuck Swysgood, Budget Director

Date

Fiscal Summary

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
Expenditures:		
General Fund	383	0
State Special Revenue	171,093	347,318
Revenue:		
State Special Revenue	171,093	347,318
Net Impact on General Fund Balance:	(\$383)	(\$0)

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
X		Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

Department of Transportation

1. The program would be administered using existing staff.
2. No rule-making authority would be needed. Department staff would make grant awards up to the level of revenue collected.
3. Spending authority for the Transportation Planning Division is necessary to grant the funds collected.

Department of Justice

4. Additional one-time operating expenses in FY 2002 to the Department of Justice (DOJ) to add a new fee code to the motor vehicle system is estimated at \$300 (4 hours x \$75/hour). A combination of DOJ programming staff and private vendors will be necessary to address the current backlog of more than 15,000 hours of programming to comply with existing mandates and the considerable system maintenance that is required. Computer costs to complete the programming are estimated at \$83 (.5 days x \$165/day). Total costs in FY 2002 for programming are estimated at \$383 (\$300 + \$83).

Department of Revenue

5. Under this proposal, beginning January 1, 2002 a fee of \$0.25 a year for each registration of a vehicle, except trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement, must be collected when a vehicle is registered or reregistered. The revenue derived from this fee must be deposited in the state special revenue fund to the credit of the senior citizens and persons with disabilities transportation services account provided for in Section 1 of this bill.
6. Under this proposal, revenue from the \$0.25 registration fee going to the state special revenue fund is \$171,093 in FY 2002 and \$347,318 in FY 2003. These revenues are base on applicable registered vehicles of 684,371 in fiscal 2002 and 1,389,273 in fiscal 2003.
7. The above impacts in assumption six are calculated using a 1.5 percent annual growth rate in vehicles. The calendar year 2000 motor vehicle database is used as the base year in making the calculations in assumption three.

FISCAL IMPACT:

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Department of Transportation		
<u>Expenditures:</u>		
Grants	\$171,093	\$347,318
<u>Funding:</u>		
State Special Revenue (02)	\$171,093	\$347,318
<u>Revenues:</u>		
State Special Revenue (02)	\$171,093	\$347,318
Department of Justice		
<u>Expenditures:</u>		
Operating Expenses	\$383	\$0
<u>Funding:</u>		
General Fund (01)	\$383	\$0
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$383)	\$0
State Special Revenue (02)	\$0	\$0

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Under this proposal, counties, incorporated cities and towns, transportation districts, or nonprofit organizations may receive grants from the senior citizen and persons with disabilities transportation services state special revenue account. These grants may increase or replace the recipient operating funds in providing transportation services for person 60 years of age or older and for persons with disabilities.

LONG-RANGE IMPACTS:

Under this proposal, the senior citizen and persons with disabilities transportation services state special revenue account will continue to increase at the same rate of increases in registered vehicles.

DEDICATION OF REVENUE:

- a) Are there persons or entities that benefit from this dedicated revenue that do not pay? (please explain)

Yes, the parties that benefit are senior citizens and disabled persons. The revenue source is owners of registered vehicles. Not all parties benefiting are owners of registered vehicles.

- b) What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?

None.

- c) Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended? ____Yes ____No (if no, explain)

Unknown.

- d) Does the need for this state special revenue provision still exist? ____Yes ____No (Explain)

N/A

- e) Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please Explain)

Priorities for state spending would be limited since statutory change would be necessary to divert these funds.

- f) Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please Explain)

Unknown.

- g) How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please Explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)

By having a dedicated account, tracking is simplified. The state's financial system could adequately account for this activity in the general fund.