



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	SB0228	Title:	Increase daytime speed limit for certain vehicles on certain highways
Primary Sponsor:	Windy Boy, Jonathan	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$455,393	\$52,746	\$0	\$0
Federal Special Revenue	\$566,126	\$474,684	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 228 increases the daytime speed limit on federal-aid interstate highways from 75 MPH to 85 MPH and on other public highways from 70 MPH to 80 MPH. Implementation of the bill will require Montana Department of Transportation (MDT) to collect and analyze safety data or recalibrate existing safety data and update engineering plans for proper placement of curve warning signs and replace existing speed zone signs. There would also be some effect on state and county fine revenues.

FISCAL ANALYSIS

Assumptions:

Department of Transportation

- MDT's construction engineering staff will recollect and recalibrate safety data for the Butte and Missoula districts for highway curve warning sign placement and make changes to current curve sign locations for projects already designed and constructed.

2. Engineering staff working on the highway construction projects in the Great Falls, Glendive, and Billings districts can recalibrate highway project data and incorporate that data into construction engineering plans to ensure curve warning signs are placed in the proper location initially.
3. Highway design manuals will require updating to address the change in speed.
4. Existing advance warning signs, including intersection ahead, speed zone ahead, steep grade signs, etc. would need to be adjusted to the new advance warning distance for the posted speed. This impact is difficult to quantify.
5. MDT has approximately 500 interstate speed limit signs and 1,000 speed limit signs on the other highways.
6. The construction program will incur \$365,623 for engineering personal services costs in FY 2016 and \$276,655 in FY 2017. Operating costs are \$250,989 for FY 2016 and \$238,857 in FY 2017 while electronic curve data devices will be purchased in both FY 2016 \$12,417 and FY 2017 \$11,918.
7. Maintenance sign shop employees will make new speed limit signs and maintenance employees in the field will be removing old signs and replacing them with new sign. Personal services costs are estimated at \$253,055 in FY 2016.
8. It is assumed that MDT maintenance can make and install 1,500 speed limit signs during FY 2016; operating and material costs are \$139,435. There will be no additional fiscal impact after the initial installation. MDT assumes that the existing posts used for the current signs will be reused for the new signs.
9. Although MDT isn't asking for FTE, the personal services costs will require staff to direct their work away from core program functions and it could be assumed these are overtime costs.

Department of Justice

10. There will be some effect on fine revenues due to the increase in the speed limit (e.g. citations issued for traveling between 76 and 85 MPH would no longer be a citation), however the agency is unable to determine the impact. Fine revenue from citations issued by Montana Highway Patrol officers is split 50% to the state general fund and 50% to the county in which the citation was issued.

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	\$618,678	\$276,655	\$0	\$0
Operating Expenses	\$390,424	\$238,857	\$0	\$0
Equipment	\$12,417	\$11,918	\$0	\$0
TOTAL Expenditures	<u>\$1,021,519</u>	<u>\$527,430</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$455,393	\$52,746	\$0	\$0
Federal Special Revenue (03)	\$566,126	\$474,684	\$0	\$0
TOTAL Funding of Exp.	<u>\$1,021,519</u>	<u>\$527,430</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$455,393)	(\$52,746)	\$0	\$0
Federal Special Revenue (03)	(\$566,126)	(\$474,684)	\$0	\$0

Effect on County or Other Local Revenues or Expenditures:

1. There would be some minimal investment by individual counties – replacing speed signs (materials & labor).
2. There will be some effect on fine revenues due to the increase in the speed limit (e.g. citations issued for traveling between 76 and 85 MPH would no longer be a citation), however the impact cannot be determined. Fine revenue from citations issued by Montana Highway Patrol officers is split 50% to the state general fund and 50% to the county in which the citation was issued.

Sponsor's Initials

Date

Budget Director's Initials

Date