

STATEMENT OF PURPOSE

RS24217

This is a supplemental appropriation to the Idaho Department of Transportation for FY 2016, in two parts:

1. The legislation appropriates \$49,886,700 in ongoing capital outlay from the dedicated State Highway Fund for road and bridge maintenance and replacement projects on the state highway system. Just after Sine Die of the 2015 session, H312 was signed into law. It raised the gas tax by 7 cents and increased registration fees by \$21 for personal vehicles and \$25 for commercial vehicles. The ongoing increase in registration and motor fuels is split 60% - 40% between the State Highway Account and local highway jurisdictions. The funds in section 1 of the bill are equivalent to the first ten months of new revenue collections and will be used on 27 projects that were identified by the Transportation Board in May 2015. Project selection was based on the criteria of project readiness, bridge restoration or preservation, and pavement rehabilitation or preservation. Included in this appropriation is \$186,300 due to increased revenue generated by H132 of the 2015 session that eliminated the gaseous special fuel tax permits.

2. H312 also provided that any funds from an unrecognized General Fund revenue surplus be split equally and deposited into the Budget Stabilization Fund and the Strategic Initiatives Program Fund at the end of FY 2015. When the fiscal year closed in July 2015, the Strategic Initiatives Program Fund received \$54,152,500. This legislation also includes \$547,500 in interest earnings, for a total of \$54.7 million in one-time funds, shown in section 2 of this bill, to be spent on 17 road and bridge maintenance and replacement projects on the state highway system. The projects were identified by the Idaho Transportation Board at their December 2015 board meeting.

FISCAL NOTE

The total fiscal impact of this legislation is \$104,586,700 in additional dedicated funding to the Idaho Transportation Department for FY 2016.

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