

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6748

BILL NUMBER: HB 1418

NOTE PREPARED: Dec 16, 2003

BILL AMENDED:

SUBJECT: Local Road and Street Account Distributions.

FIRST AUTHOR: Rep. Chowning

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that the money in the Local Road and Street Account is to be distributed among the counties according to the ratio of each county's passenger car and pickup truck registrations to the total passenger car and pickup truck registrations of the state. (Under current law, pickup truck registrations are disregarded in the distribution formula.) It phases in the change over a four-year period beginning July 1, 2004.

Effective Date: July 1, 2004.

Explanation of State Expenditures:

Explanation of State Revenues: This will change the amount of Local Road and Street Account funds received by counties and will favor those counties with more pickup trucks at the expense of those with fewer pickup trucks in relation to the total number of passenger cars and pickup trucks registered. The proposal phases in the change over a four-year period beginning in state FY 2005.

This proposal does not increase the amount of funds to be distributed, but rather redistributes the funds among the counties. For FY 2003, approximately \$76.9 M were distributed through the Local Road and Street Account to local units. Including pickup trucks in the Local Road and Street Account distributions to the 659 recipient units results in 520 units with increases and 139 units with decreases. The total dollars shifted are estimated to be \$3.062 M after full implementation.

State Agencies Affected: Auditor of State.

Local Agencies Affected: Those units which receive distributions from the Local Road and Street Account.

Information Sources: Additional information is available from the Office of Fiscal and Management Analysis.

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