

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

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7295

BILL NUMBER: SB 291

NOTE PREPARED: Jan 3, 2007

BILL AMENDED:

SUBJECT: Illiana Expressway.

FIRST AUTHOR: Sen. Landske

FIRST SPONSOR:

BILL STATUS: As Introduced

**FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL**

IMPACT: State

Summary of Legislation: This bill has the following provisions:

The bill, for purposes of the statute concerning tollways, permits the designation of the Illiana Expressway (instead of a part of Interstate Highway 69) as a tollway.

The bill, for purposes of the statute governing public-private agreements concerning toll roads, deletes the prohibition against a public-private agreement (without legislative authorization) that would permit an operator to impose tolls for the operation of motor vehicles.

The bill, for purposes of the statute governing public-private agreements by the Department of Transportation: (1) authorizes a public-private agreement for the Illiana Expressway (instead of a part of Interstate Highway 69); and (2) provides that if all or part of a project to be carried out by a public-private agreement will consist of a tollway, the draft version of the request for proposals for that project must require any offeror to submit a proposal based upon that part of the project that will consist of a tollway, and deletes the current authority for offerors to submit alternative proposals based upon the assumption that a different part or none of the project will consist of a tollway.

The bill, for purposes of the statute governing the designation of state highways as tollways, permits the designation of the Illiana Expressway (instead of a part of Interstate Highway 69) as a tollway without legislative authorization.

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues: Under current law, the Governor, the Department of Transportation (INDOT), or an operator, without the approval of the General Assembly, may not approve the location of a tollway, issue a request for proposal or enter into a public-private agreement, or determine that a highway should become a tollway other than on I-69 between I-64 and Martinsville. Under the bill, the tollway between I-64 and Martinsville would require legislative approval for tolling and the Illiana Expressway, a limited access facility connecting I-94 and I-57, would be allowed without legislative approval.

Traffic volume affects the toll revenue that may be generated, and if a project is developed as a public-private agreement, it could affect the amount paid to the state for concession rights to collect the tolls. If a higher lease payment may be offered on a connector between I-94 and I-57 than on I-69 between I-64 and Martinsville, the state would receive more revenue.

Background on the Illiana Expressway: This connector would address traffic congestion around the Borman Expressway, I-80/I-94, which is out of available land to expand. The proposal for the Illiana Expressway is for the route to be 63 miles long with 50 miles in Indiana. The bill would allow development of this Expressway without the approval of the General Assembly.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Transportation; Indiana Finance Authority.

Local Agencies Affected:

Information Sources: <http://www.in.gov/dot/projects/illiana/>.

Fiscal Analyst: Karen Firestone, 317-234-2106.