

**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 6898

BILL NUMBER: SB 314

NOTE PREPARED: Feb 6, 2007

BILL AMENDED:

SUBJECT: Participation in the Interstate Oasis Program.

FIRST AUTHOR: Sen. Ford

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: ___ GENERAL
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the Department of Transportation (INDOT) to participate in the federal Interstate Oasis Program. It provides that INDOT may not reopen a closed interstate rest area or construct a new interstate rest area unless INDOT has fully implemented the Interstate Oasis Program. The bill requires INDOT to report to the Governor and the General Assembly on the impact of the Interstate Oasis Program on the traveling public and the state budget.

Effective Date: July 1, 2007.

Explanation of State Expenditures: *Summary:* The federal Interstate Oasis Program is for the purpose of designating facilities near an Interstate highway, but not within the Interstate right-of-way, after meeting certain eligibility criteria. The facilities are to provide products and services to the public, 24-hour access to public restrooms, and parking for automobiles and heavy trucks. Participation by states in the program is optional. This bill requires INDOT's participation in the Program.

Signage: Participation costs by INDOT are primarily for marketing and signs. The federal law says participating states may provide or allow Interstate Oasis signing. Currently, if INDOT provides the signs, the following costs apply.

For the Tourist Destination Signs (TODS) (sheet signs) on conventional highways, INDOT fabricates, installs, and maintains at a flat cost regardless of size. There may also be Trailblazer signs (sheet signs) for on-ramps or conventional roads. These would be design/fabricate/install cost. The cost schedule under current policy provides for fees to be paid by applicants to INDOT for work performed by INDOT as follows:

- Design and fabrication of TODS..... \$ 100 each
- Installation of TODS..... \$ 250 each
- Maintenance of sheet sign..... \$ 50 per year

Rest Areas: The bill requires that INDOT continue to maintain Interstate rest areas and fulfil its contracts entered into before July 1, 2007. After June 30, 2007, INDOT may not reopen a closed rest area or construct new rest areas unless INDOT has fully implemented the Interstate Oasis program. As of January 2007, there were no closed rest areas in the state, nor any immediate plans to do so. Currently, there are 36 rest areas in the state.

Report: INDOT is to report to the Governor and the General Assembly on the impact of the Oasis program regarding its impact on the traveling public and the state budget by July 1, 2008. It is anticipated that INDOT will be able to conduct this study within their existing level of resources.

Background Information: INDOT estimates that the annual maintenance costs (which includes janitorial services, staffing, and supplies) for the current 36 rest areas to be approximately \$5.4 M annually. These expenses are paid from the State Highway Fund.

Capital expenses for rest areas over the last four years are listed in the table below. Capital costs are paid from the State Highway Fund and federal funds. Federal highway funds cover about 90% of the cost for construction of rest areas on the Interstate system.

Fiscal Year	Capital Expenditures (State & Federal \$s)
FY 2003	\$2.7 M
FY 2004	\$0.3 M
FY 2005	\$7.7 M
FY 2006	\$19.5 M

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Transportation.

Local Agencies Affected:

Information Sources: Chris Kiefer, Legislative Liaison for INDOT, 317-233-3601; Larry Rust, 317-232-5549; Gary Eaton, INDOT, 317-232-5643.

Fiscal Analyst: James Sperlik, 317-232-9866.