

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6734

BILL NUMBER: HB 1273

NOTE PREPARED: Dec 24, 2008

BILL AMENDED:

SUBJECT: Local Major Moves Construction Funds.

FIRST AUTHOR: Rep. Pelath

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill adds providing police and fire protection and public mass transportation to the list of permissible uses of a local Major Moves construction fund.

Effective Date: July 1, 2009.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: This bill expands the number of alternatives for which money in a local unit's Major Moves construction fund may be spent. Ultimately, the impact of this bill will depend on the actions of local units deciding to expend funds for police and fire protection or public mass transportation.

Background - Money paid into local units' Major Moves construction funds from the state's Major Moves Construction Fund includes:

- (1) Before October 15, 2006, and October 15, 2007, two \$75 M distributions divided among the units that are eligible to receive money from the Motor Vehicle Highway Fund;
- (2) Before September 15, 2006, \$40 M each for Steuben, LaGrange, LaPorte, Elkhart, and St. Joseph Counties; \$25 M for Porter County; and \$15 M for Lake County.

Under current law, the counties, cities, and towns in Elkhart, LaGrange, Lake, LaPorte, Porter, St. Joseph, and Steuben Counties are required to establish nonreverting local Major Moves construction funds to receive these distributions. The funds are administered by the unit's fiscal officer, and the unit's fiscal body expends the funds. (A county fiscal body must expend funds in consultation with the county's executive.)

State Agencies Affected:

Local Agencies Affected: Counties, cities, and towns in Elkhart, LaGrange, Lake, LaPorte, Porter, St. Joseph, and Steuben Counties.

Information Sources:

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