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FISCAL IMPACT STATEMENT

LS 6841

BILL NUMBER: HB 1356

NOTE PREPARED: Jan 4, 2012

BILL AMENDED:

SUBJECT: Transportation Funding Pilot Programs.

FIRST AUTHOR: Rep. Austin

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 X FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill authorizes the Department of Transportation (INDOT) and the board of a regional transportation authority to develop a pilot program to explore alternative highway funding methods. It provides that money in the State Highway Fund may be used to pay for the pilot program.

Effective Date: July 1, 2012.

Explanation of State Expenditures: The bill would allow INDOT and regional transportation authorities to develop and implement one or more pilot programs that would explore alternative funding mechanisms to pay for the state highway system other than the motor fuel tax. INDOT in connection with the Department of State Revenue (DOR) would be required to establish a procedure to refund participants for the amount of motor fuel tax individuals pay while taking part in the pilot program. The development and implementation of the pilot program would be paid from the State Highway Fund.

INDOT may solicit volunteers to participate in the pilot programs and compensate them for taking part in the pilot. The cost to compensate participants depends on how many individuals take part in the pilot program and the level of compensation set by INDOT.

The bill's requirements represent an additional workload for INDOT, regional transportation authorities, and the DOR outside of the agencies' routine administrative functions, and existing staffing and resource levels, if currently being used to capacity, may be insufficient for full implementation. Ultimately, the resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Explanation of State Revenues: Under the proposal, pilot program participants would be reimbursed for the amount of motor fuel tax they pay while taking part in the program. The motor fuel tax refunds would decrease motor fuel tax revenues. The amount refunded would depend on the number of participants and on the amount of fuel they purchase while in the program.

Individuals participating in the pilot programs would be required to pay any fees established under the program. Fees collected by INDOT are deposited in the State Highway Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: INDOT, Department of Revenue.

Local Agencies Affected: Regional transportation authorities.

Information Sources:

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