



## STATE OF MONTANA

REQUEST NO. 239-77

## FISCAL NOTE

Form BD-15

In compliance with a written request received January 26, 19 77, there is hereby submitted a Fiscal Note for House Bill 336 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

## DESCRIPTION OF PROPOSED LEGISLATION:

An act to direct the State Highway Commission to reclassify State Secondary Route 323 as a primary route.

## ASSUMPTIONS:

1. Federal Aid Primary Costs would be distributed to Financial District Number 12. Adding an estimated 47 miles of deficient roadway may increase the Financial District Number 12 allocation from \$2.10 million to approximately \$2.15 million based on the 1975 Primary Highway Sufficiency Report.
2. Federal Aid Secondary Funds to Carter County would be reduced 2.3% due to transfer to the primary system.
3. Gas tax revenue to Carter County would decrease by 2.3%.
4. Three (3) FTE employees will be needed and will be headquartered in Ekalaka.

## FISCAL IMPACT:

	<u>FY 78</u>	<u>FY 79</u>
Cost to establish maintenance section	\$168,250	\$ 0
Cost to maintain roads	<u>74,841</u>	<u>78,583</u>
Additional cost of proposed legislation	<u>\$243,091</u>	<u>\$ 78,583</u>

## LOCAL IMPACT:

1. Federal Aid Secondary Funds would decrease by 2.3% to Carter County.
2. Gas tax collections for Carter County would decrease by 2.3% yearly.
3. Carter County maintenance funds would be relieved of an unknown annual expenditure, as the state would maintain the roads.
4. Carter County would gain the use of secondary funds for other roads in the county since they would not have to use secondary funds for this 71 mile stretch of roadway.

## LONG-RANGE EFFECT:

Reconstruction costs would be distributed over a 5 to 10 year period with an annual expenditure of approximately \$1,200,000 per year.

*Ronald L. Young*  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-31-77