

HOUSE BILL 33

Introduced by Davis

12/23	Introduced
12/30	Referred to Highways & Transportation
12/31	Fiscal Note Requested
1/04	First Reading
1/11	Hearing
1/11	Fiscal Note Received
1/11	Tabled in Committee
1/11	Fiscal Note Printed

HOUSE BILL NO. 33

1 commission."

INTRODUCED BY DAVIS

-End-

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING STATE
MAINTENANCE OF THE FEDERAL-AID SECONDARY SYSTEM; AND
AMENDING SECTION 60-2-105, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 60-2-105, MCA, is amended to read:

"60-2-105. Designation of highways in state maintenance
system. The commission shall designate the following public
highways in the state to be included in the state
maintenance system:

(1) the federal-aid interstate system as defined by
60-1-103(14);

(2) the federal-aid primary system as defined by
60-1-103(15) and urban extensions thereto to the federal-aid
primary system;

(3) ~~those portions of~~ the federal-aid secondary system
as defined by 60-1-103(16) and urban extensions thereto as
~~are designated by the commission to the federal-aid~~
secondary system;

(4) other public highways or portions thereof of public
highways not included within the systems above named which
in subsections (1) through (3) that are designated by the

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0033, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill requiring state maintenance of the federal-aid secondary system.

ASSUMPTIONS:

Maintenance Program:

1. Costs are assumed to be similar to current maintenance costs of paved secondary and gravel primary routes.
2. No new sections would be established initially, however, future sections may be established as work levels are more clearly defined.
3. Current maintenance sites and facilities would be modified to accommodate the additional equipment and materials required. Additional facilities would be constructed.
4. Costs detailed would not improve the present status of the roadway, but maintain at current levels. Maintenance by the Department of Transportation would exceed the level provided by local government.

Equipment Program:


1. Equipment requirements and operating costs are estimated to be similar to current department equipment used.
2. The departments current fleet is not sufficient to accomplish maintenance on additional roadway miles.
3. Trucks would be single axle design with snowplow and sander.
4. The additional cash required in the Equipment Program to purchase the necessary equipment to meet the requirements of this bill will be obtained through an inter-entity loan from the State Special Revenue Fund. This loan will be paid back over a period of time through higher equipment rental rates.

Stores Program:

1. A minimum of 3 years maintenance materials is required at start up. Materials needed are sand, gravel, road oil, mixed materials, centerline paint, etc.
2. FY95 would be an on-going use of maintenance materials.
3. The Stores Program receives revenue from the Maintenance Program for use of materials. Expenditures and revenues for the Stores Program are recorded in the Highways Special Revenue account.

FISCAL IMPACT: (continued)

DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 1/11/93
ERVIN DAVIS, PRIMARY SPONSOR DATE
Fiscal Note for HB0033, as introduced

HB 33

FISCAL IMPACT:

Expenditures:

	<u>FY '94</u>			<u>FY '95</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Maintenance Program:						
FTE	651.88	802.88	151.00	651.88	802.88	151.00
Personal Services	23,759,493	30,472,555	6,713,062	24,088,375	30,733,503	6,645,128
Operating Expenses	35,524,784	47,144,999	11,620,215	35,323,764	46,943,977	11,620,213
Equipment	458,588	583,588	125,000	374,565	499,565	125,000
Capital Outlay	<u>108,434</u>	<u>10,557,604</u>	<u>10,449,170</u>	<u>108,434</u>	<u>108,434</u>	<u>0</u>
Total	59,851,299	88,758,746	28,907,447	59,895,138	78,285,479	18,390,341
Highways Special Revenue (02)						
	59,762,385	88,669,832	28,907,447	59,806,224	78,196,565	18,390,341
Federal Highway Revenue (03)	<u>88,914</u>	<u>88,914</u>	<u>0</u>	<u>88,914</u>	<u>88,914</u>	<u>0</u>
Total	59,851,299	88,758,746	28,907,447	59,895,138	78,285,479	18,390,341

Equipment Program:

FTE	122.00	132.00	10.00	122.00	132.00	10.00
Personal Services	4,390,450	4,766,197	375,747	4,453,779	4,813,776	359,997
Operating Expenses	5,174,444	7,618,349	2,443,905	5,319,555	7,894,555	2,575,000
Equipment	<u>5,899,245</u>	<u>26,505,878</u>	<u>20,606,633</u>	<u>5,899,245</u>	<u>7,273,021</u>	<u>1,373,776</u>
Total	15,464,139	38,890,424	23,426,285	15,672,579	19,981,352	4,308,773
Equipment Account (06)	15,464,139	38,890,424	23,426,285	15,672,579	19,981,352	4,308,773

Stores Program:

Highways Special Revenue (02)	23,237,286	42,941,337	19,704,051	23,485,325	30,053,342	6,568,017
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Revenues:

	<u>FY '94</u>			<u>FY '95</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Stores Inventory (02)	23,237,286	26,737,286	3,500,000	23,485,325	31,585,325	8,100,000

Net Impact to Highways Special Revenue Account (02): (45,111,498) (16,858,358)

In addition to the net cost to the highways special revenue account shown above of \$62 million for the biennium, an approximately \$20 million loan would be required from the highways special revenue account for the equipment proprietary account.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Expenditures incurred by counties for the maintenance of these roads would be eliminated. The Department of Transportation has insufficient information on county expenditures to provide a specific estimate of the savings to counties.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Costs in subsequent biennia would be consistent with the costs reflected for FY95. Recovery of costs for major one-time FY94 expenditures in the equipment and stores programs would be spread out over several years. A complete route study would need to be conducted to determine route deficiencies and the estimated cost to correct these deficiencies.

TECHNICAL NOTES:

HB0033 does not address the issue of jurisdiction over the responsibility for construction and pavement maintenance of the roads. The department would require such jurisdiction to insure effective management of the secondary road system.