

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6499
BILL NUMBER: HB 1391

DATE PREPARED: Dec 13, 1999
BILL AMENDED:

SUBJECT: Motor Vehicle Highway Account distributions for debt service.

FISCAL ANALYST: James Sperlik
PHONE NUMBER: 232-9866

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

Summary of Legislation: This bill specifies that cities and towns may expend money received from the Motor Vehicle Highway Account to pay principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects.

Effective Date: July 1, 2000.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: This proposal expands the uses of the Motor Vehicle Highway Account (MVHA) distributions. Local units now may spend MVHA distributions to pay principal and interest on bonds sold primarily to finance road, street or thoroughfare projects. This expanded use will increase spending flexibility. Over time, this may allow local units to fund more projects. Over the last three years, cities and towns have received the following distributions from the Motor Vehicle Highway Account:

YEAR	AMOUNT
97	\$79,029,700
98	\$77,907,758
99	\$81,996,915
TOTAL	\$238,934,373

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Cities and towns which receive distributions from the Motor Vehicle Highway Account.

Information Sources: Dan Bastin, Auditor of State's Office, 232-3309.