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FISCAL NOTE(Form 1)
(Office of Fiscal Analysis)
Analyst: SP, 4/29/92
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Version: 3

BILL NUMBER: sHB 5659
FILE NUMBER:
AMENDMENTS: House "B"

TITLE: "AN ACT CONCERNING TRANSPORTATION MANAGEMENT PROGRAMS REQUIRED UNDER THE CLEAN AIR ACT"

FAVORABLY REPORTED BY Transportation, Environment, Appropriations, Finance, Revenue and Bonding

EFFECTIVE DATE: Upon Passage

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FISCAL IMPACT STATEMENT - BILL NUMBER sHB 5659

STATE IMPACT	Revenue Gain (Transportation Fund), Potential Significant Future Costs, see explanation below
MUNICIPAL IMPACT	Potential Significant Future Costs, see explanation below
STATE AGENCY(S)	Department of Transportation and Other State Agencies

EXPLANATION OF ESTIMATES:

STATE AND MUNICIPAL IMPACT: The implementation of Transportation Management Programs will require employers, primarily in Fairfield County, with 100 or more employees to increase, by November 15, 1996, the average passenger occupancy rate to their work locations during the morning peak hours of 6:00 A.M. to 10:00 A.M. (Mondays - Fridays, excluding holidays) to at least 25% above the areawide baseline average.

To implement the program, the bill, as amended, requires the Transportation Commissioner to spend at least 80% of the Congestion Mitigation and Air Quality grant under the Intermodal Surface Transportation Efficiency Act of 1991, (ISTEA), on projects affecting the severe non-attainment areas. The total dollar amount the Department of Transportation, (DOT), expects to receive for the program from ISTEA funds is approximately $19.4 million in FFY 1993 and $23.0 million each year thereafter. In order to provide technical assistance and informational support, costs will be incurred by the DOT. In fiscal year 1993, one-time costs of $100,000 for consultant services will be necessary to develop the Transportation Management package. Also, at some point in thee future the DOT anticipates the need for at least 3 additional planning positions and 1 clerical position to monitor and to continue program implementation. Annual salaries are expected to be approximately $120,000. Costs for the adoption of regulations, as well as for the submission of annual reports by the task force to develop transportation management plans, can be absorbed within available budgetary resources.

Costs to the Department of Environmental Protection for consulting services with the DOT to determine the areawide baseline vehicle occupancy and for developing regulations are expected to be minimal.

Costs to the Department of Labor for providing requested information to the DOT and for consulting on regulations are also expected to be minimal.

Costs to employers, with 100 employees or more, including the state and municipalities could be potentially significant. It is anticipated that cost for developing and submitting compliance plans to the DOT could be absorbed by the impacted governmental subdivisions within budgetary resources. Ultimately, cost to the state and to municipalities will depend on the type of programs the political subdivisions decide to undertake. For instance, allowing for flexible hours and providing preferential parking for ridesharing employees will not be as costly as paying for all or part of the costs of vans used by employees, providing shuttle bus services, bus passes, etc..

It is worthwhile to note that the bill does not specify whether state agencies will be submitting individual plans to the DOT or whether the state will submit one compliance plan to cover all executive branch agencies.

The revenue gain to the Special Transportation Fund from filing fees from employers in severe non-attainment areas is estimated to be approximately $150,000.

House "B" deletes the provision creating a separate non-lapsing account; requires that at least 80% of the money received under the Congestion Mitigation Air Quality grant be spent on eligible projects in the severe non-attainment areas; establishes procedures for new employers who become subject to the bill's requirements; broadens the definition of employer; expands the scope of regulations; adds notice provisions for new employers; allows, rather than requires, the DOT to forward compliance plans to regional planning agencies,. and adds the fee provisions. The latter would yield the anticipated revenue gain stated above to the Special Transportation Fund. Otherwise, it would not alter significantly the originally stated fiscal impact.