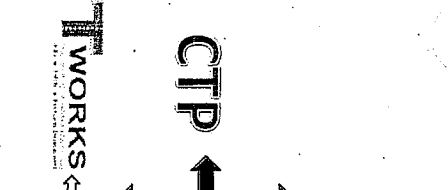


**State General Fund Revenue Adjustments as related to the State Highway Fund
FY 2010 and FY 2011 based on 2010 House Substitute for Senate Bill 572
FY 2011 and FY 2012 based on KDOT FY 2013 Budget and 2011 Senate Sub. for HB 2014**

FY	Sales Tax Demand Transfer			Sales & Compensating Use Tax		State General Fund (SGF) Loans		SGF CTP Bond Payments		Transfers from the State Highway Fund (SHF)		RECEIPTS TOTAL	NET TOTAL
	Proposed (Sales Tax) Transfer	SGF (Sales Tax) Transfer	Difference (2-1)	Actual S&C Tax	Increase in S&C	SGF Loans	Loan Repayments	Delayed/Unpaid	TOTAL (P + I)	Commerce Fair Rates	Highway Patrol Funding Transfers to the SGF		
1999	\$ 106,119	\$ 67,689	(\$ 38,430)	\$ 68,958	\$ -	-	-	-	-	-	-	\$ 1,313,788	\$ (18,220)
2000	107,910	62,240	(\$ 45,670)	69,241	-	-	-	-	-	-	-	1,509,939	(45,670)
2001	139,744	51,708	(\$ 88,036)	81,611	-	-	-	-	-	-	-	1,404,949	(88,036)
2002	138,281	84,288	(\$ 53,993)	89,569	-	-	-	-	-	-	-	1,859,999	(53,993)
2003	170,070	-	(170,070)	89,569	-	(30,597)	-	(94,609)	-	-	(2,249)	89,389	(172,319)
2004	178,519	-	(178,519)	80,137	-	-	-	(126,206)	-	-	(35,092)	90,137	(210,116)
2005	180,486	-	(180,486)	83,353	-	-	-	(126,206)	-	-	(35,092)	90,137	(210,116)
2006	190,213	-	(190,213)	83,353	-	-	-	(126,206)	-	-	(35,092)	90,137	(210,116)
2007	196,774	-	(196,774)	80,953	-	-	-	(126,206)	-	-	(35,092)	90,137	(210,116)
2008	187,889	-	(187,889)	85,692	-	-	-	(126,206)	-	-	(35,092)	90,137	(210,116)
2009	185,899	-	(185,899)	89,914	-	-	-	(126,206)	-	-	(35,092)	90,137	(210,116)
2010	-	-	-	259,445	-	-	-	61,793	-	-	-	268,740	(54,966)
2011	-	-	-	292,641	-	-	-	61,793	-	-	-	292,641	(84,532)
Est. 2012	-	-	-	301,612	-	-	-	61,793	-	-	-	301,612	(70,110)
Est. 2013	-	-	-	311,420	-	-	-	61,793	-	-	-	311,420	(31,660)
1999-2013 TOTAL	\$ 1,752,964	\$ 298,136	(\$ 1,454,828)	\$ 2,592,695	\$ 493,147	(\$ 126,209)	\$ 63,413	(\$ 1,793)	\$ 26,976	\$ (25,000)	\$ (327,622)	\$ (487,987)	\$ (850,109)



I. The 2002 Legislature eliminated the FY 2003 Sales Tax demand transfer, the 2003 Legislature eliminated the FY 2004 Sales Tax demand transfer, and the 2004 Legislature eliminated Sales Tax demand transfers for the remainder of the CTP.

II. <1> Prior to FY 2007 the Sales and Compensating Use Tax was 0.25 percent. In 2007 it was increased to 0.38 percent, and then increased again in FY 2008 to 0.65 percent. <2> The Est. FY 2011 Sales and Compensating revenues to the State Highway Fund are increased by \$19.3 million to reflect action taken in 2010 Senate Sub. for HB 2360. 2010 Senate Sub. for HB 2360 increases the salesuse tax from 5.3 percent to 6.3 percent, for which estimated receipts to the State Highway Fund include \$20.4 million for FY 2011, \$21.0 million for FY 2012, and \$21.0 million for FY 2013. Beginning in FY 2014 the rate will drop back to 5.7 percent, and the State Highway Fund will receive all excess above 5.3 percent.

III. A total of \$125.2 million was "borrowed" from the State Highway Fund with arrangement to pay back by from FY 2007 to FY 2010 (includes the 2002 Legislature transfer equal to the FY 2002 sales tax transfer, the 2003 Legislature transfer to finance a portion of the Department of Revenue's Division of Vehicles, and the 2004 Legislature transfer to finance Highway Patrol State General Fund operations). The first two repayments were made in FY 2007 and FY 2008. As part of the 2009 Session, the FY 2009 payment of \$30.9 million was delayed until FY 2011, and the FY 2010 payment of \$30.9 million was eliminated. The FY 2009 payment that was delayed to FY 2011 was later eliminated as part of 2010 House Substitute for Senate Bill 572.

IV. The 2004 Legislature authorized the issuance of \$310.0 million in State General Fund backed bonds, which appear in the Department of Administration's (DOA) budget. The 2009 Legislature transferred \$25.3 million, all from the State Highway Fund, to the State Substitute for Senate Bill 572 continued the transfer of \$25.0 million to reimburse the State General Fund for CTP bond payments.

V. Transfers from the State Highway Fund include: <1> Affordable Airfare Fund: 2006 House Substitute for Senate Bill 475 created the State Affordable Airfare Fund in the Department of Commerce, funded through a transfer of \$5.0 million from the State Highway Fund annually from FY 2007 to FY 2011. For FY 2011, the program is continued, but through a transfer of \$5.0 million from the Economic Development Initiatives Fund (EDIF) <2> The State Highway Fund transfer to the State General Fund to finance Highway Patrol operations. * For FY 2013, the Governor's recommends that the Highway Patrol's funding no longer be partly provided through a transfer from the Highway Fund to the State General Fund plus a direct transfer, but now provides all State Operations funding through a direct transfer from the State Highway Fund.

VI. Transfers from the State Highway Fund to the State General Fund, which include:

A. /FY 2010 -> \$80.0 million captured through reductions and existing State Highway Fund balance (recommended to the Legislature as part of the 2009 July and November allotments). <2> \$25.3 million to reimburse the State General Fund for debt service principal and interest payments on CTP bonds (as part of 2009 Senate Substitute for House Bill 2373). <3> \$28.0 million captured through additional project preservation letting reductions (totaling \$86.5 million) (recommended as part of the Governor's "Budget Balancing Plan" announced March 5, 2010). <4> \$10.0 million transferred as part of \$11.0 million in federal funding anticipated to be received by the State as part of the passage of a primary seatbelt law (2010 HB 2130).

B. /FY 2011 -> \$80.0 million captured through recommended reductions and existing State Highway Fund balance. <2> \$25.0 million to reimburse the State General Fund for debt service principal and interest payments on CTP bonds. <3> \$44.3 million recommended to be transferred, and would capture FY 2011 savings for \$6.5 million in preservation projects that were not let as part of the Governor's Budget Amendment No. 1, Item 5 for FY 2010.

The 2011 Legislature approved the transfer of \$205.0 million from the State Highway Fund to the State General Fund for FY 2012.

A. /FY 2012 <1> The Governor's FY 2012 recommendation included the transfer of \$200.0 million from the State Highway Fund to the State General Fund, in order to capture the necessary savings for the FY 2012 transfer. Preservation projects were reduced by \$22.0 million in both FY 2011 and FY 2012. The agency provided information stating that this transfer was possible due in part to lower than expected bid prices and low inflation, however, the agency has advanced the bonding schedule and will issue \$50.0 million in bonds for FY 2012. Prior to the transfer, no bonds were scheduled to be issued for FY 2012. <2> The final 2011 Appropriations Bill (Senate Sub for HB 2014) increased the total transfer by \$5.0 million to \$205.0 million from the State Highway Fund to the State General Fund. The additional \$5.0 million was to capture administrative savings experienced by the agency in FY 2011.

CTP = Comprehensive Transportation Plan
SGF = State General Fund
P + I = Principal and Interest
SHF = State Highway Fund

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