

**FISCAL NOTE**

	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue increase			
HIGHWAY FUND	\$22,450,000	\$44,900,000	\$67,350,000
CITIES AND TOWNS STREET & ALLEY	\$3,320,000	\$6,650,000	\$9,970,000
COUNTY ROAD FUNDS	\$7,920,000	\$15,850,000	\$23,770,000
SPECIAL REVENUE FUND - STATE PARKS	\$650,000	\$1,310,000	\$1,960,000

	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Expenditure increase			
HIGHWAY FUND	\$22,450,000	\$44,900,000	\$67,350,000

Source of revenue and expenditure increase:

This bill increases the fuel tax on gasoline, diesel fuel, and alternative fuel by \$0.05 per gallon in FY 2023, equal to \$0.28 per gallon; \$0.10 per gallon in FY 2024, equal to \$0.33 per gallon; and \$0.15 per gallon in FY 2025 and each year thereafter, equal to \$0.38 per gallon. This bill also provides a proportionate increase in the tax distributions on fuel used in licensed snowmobiles, motorboats, and off-road vehicles. The revenue increases to the Highway Fund would be expended for highway construction, repair, or maintenance.

Assumptions:

The revenue increases distributed to the Highway Fund, county road funds, and city and town street and alley funds are estimated to generate a total increase of \$6.9 million per penny or approximately \$34.3 million in FY 2023, \$68.7 million in FY 2024, and \$103.1 million in FY 2025. This is estimated based on a five-year average of motor fuel collections.

The revenue increases are based on the current gasoline, alternative fuel, and diesel tax distributions defined in Wyoming Statute described below.

- The gasoline tax and alternative fuel tax:
  - o Highway Fund 57.5%
  - o Two county distributions totaling 27.5%; and
  - o Cities and towns 15%.
- The diesel tax:
  - o Up to 2% for administration, with the remainder distributed
  - o Highway Fund 75%
  - o Counties 20%; and
  - o Cities and towns 5%.

Article 15, Section 16 of the Wyoming Constitution requires fuel tax revenues be used for the costs of construction, maintenance, and traffic enforcement of Wyoming's highways, roads, and streets. The Department of Transportation estimates a corresponding expenditure increase from the Highway Fund for the maintenance and construction of highway infrastructure in the amount of \$22.45 million for FY 2023, \$44.9 million for FY 2025, and \$67.35 million for FY 2025.

The Department of State Parks and Cultural Resources receives fuel tax revenue distributions which are deposited into three separate special revenue accounts specific to the type of licensed vehicle (snowmobiles, motorboats, and off-road recreational vehicle). The revenue increases to these accounts are based on the past four fiscal years. It is assumed that permit sales will remain constant.

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