

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 581

BY WAYS AND MEANS COMMITTEE

AN ACT

RELATING TO HIGHWAY TRANSPORTATION PROJECTS; AMENDING SECTION 40-315, IDAHO CODE, TO REVISE PROVISIONS RELATING TO CERTAIN DEBT SERVICE AND OTHER BOND-RELATED EXPENSES AS A PERCENTAGE OF ANNUAL FEDERAL-AID HIGHWAY APPORTIONMENTS AND TO SET FORTH REQUIREMENTS OF THE DEPARTMENT OF TRANSPORTATION RELATING TO REQUESTS FOR GARVEE BONDING AUTHORITY.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 40-315, Idaho Code, be, and the same is hereby amended to read as follows:

40-315. POWERS AND DUTIES -- FEDERALLY-FUNDED HIGHWAY PROJECT FINANCING.
(1) In order to address the increasing need for timely improvements to Idaho's highway transportation infrastructure, the board may:

(a) Enter into agreements with the Idaho housing and finance association in connection with the funding of highway transportation projects qualifying for reimbursement from federal funds.

(b) Approve and recommend federal highway transportation projects to the Idaho housing and finance association for financing by the association. Such federal highway transportation projects shall be eligible for federal-aid debt financing under chapter 1, title 23, United States Code, and approval by the federal highway administration as an advanced construction (AC) project thereunder. The board shall select and designate such transportation projects to be funded with bond proceeds from the following list of eligible projects:

ROUTE	PROJECT DESCRIPTION
US-95	SH-1 to Canadian border
US-95	Garwood to Sagle
US-95	Worley to Setters
US-95	Thorn Creek to Moscow
US-95	Smokey Boulder to Hazard Creek
SH-16 Ext	South Emmett to Mesa with connection to SH-55
SH-16 Ext	I-84 to South Emmett
I-84	Caldwell to Meridian
I-84	Orchard to Isaacs Canyon
US-93	Twin Falls alternate route and new Snake River crossing
SH-75	Timmerman to Ketchum
US-20	St. Anthony to Ashton
US-30	McCammon to Soda Springs

(c) On and after July 1, 2008, all allocations of GARVEE bond proceeds shall be the sole responsibility and duty of the Idaho transportation board. The legislature shall have authority to approve a total GARVEE bond amount on an annual basis. However, the Idaho transportation board is directed to allocate bond revenue only among the projects listed in sub-

section (1)(b) of this section. In making its funding allocation for projects, the board shall take into consideration: the cost of the project and whether or not that project could be financed without bonding; whether the project is necessary to facilitate the traffic flow on vital transportation corridors; and whether the project is necessary to improve safety for the traveling public. On and after July 1, 2008, the board shall use due care in selecting projects for bonding and shall balance and coordinate the use of bonding with the use of highway construction moneys.

Notwithstanding the provisions of subsection (1)(b) of this section wherein eligible projects are listed for selection and designation by the board, if any of the designated projects are deemed to be ineligible by the board, the board shall have the authority to replace those projects with other projects listed in subsection (1)(b) of this section.

(2) Prior to issuance by the Idaho housing and finance association of any bonds or notes to finance highway transportation projects, the board shall certify to the association that sufficient federal transportation funds are available to make any payments required for such bonds or notes.

(3) The board shall limit annual, total cumulative debt service and other bond-related expenses as follows:

(a) In the 2006 legislative session for the fiscal year 2007 budget, total cumulative debt service and other bond-related expenses on federally-funded highway project financing shall be no more than twenty percent (20%) of annual federal-aid highway apportionments.

(b) In the 2007 legislative session for the fiscal year 2008 budget, total cumulative debt service and other bond-related expenses on federally-funded highway project financing shall be no more than twenty percent (20%) of annual federal-aid highway apportionments.

(c) In the 2008 legislative session for the fiscal year 2009 budget, total cumulative debt service and other bond-related expenses on federally-funded highway project financing shall be no more than twenty percent (20%) of annual federal-aid highway apportionments.

~~(d) In the 2009 legislative session for the fiscal year 2010 budget, total cumulative debt service and other bond related expenses on federally funded highway project financing shall be no more than twenty percent (20%) of annual federal aid highway apportionments.~~

~~(e) In the 2010 legislative session for the fiscal year 2011 budget, total cumulative debt service and other bond related expenses on federally funded highway project financing shall be no more than thirty percent (30%) of annual federal aid highway apportionments.~~

~~(f)~~ Beginning with the ~~2011~~ 2009 legislative session for the fiscal year ~~2012~~ 2010 budget, or for any year thereafter, the ~~thirty~~ twenty percent (~~30~~20%) limit relating to total cumulative debt service provided for in subsection (3)(c) of this section may be exceeded, but only by affirmative action of both the house of representatives and the senate, and with the approval of the governor.

(4) In the event the board selects and designates to be funded with bond proceeds any of the transportation projects listed in subsection (1) of this section, and prior to entering into agreements with the Idaho housing and finance association as provided herein, the Idaho transportation department, as part of its annual budget request prepared pursuant to section 67-3502, Idaho Code, shall include a request for bonding authority as a separate item of its budget request. This request for bonding authority shall include a list of planned highway transportation projects to be financed with such bond financing during the next succeeding fiscal year.

(5) By June 30 of each year, the board shall submit a report to the leg-

islature concerning projects currently under construction using the bond financing as authorized by the provisions of this section, and shall include a list of planned highway transportation projects to be financed with such bond financing during the next succeeding fiscal year.

(6) In each year the department requests legislative authorization for GARVEE bonding authority, such request shall include the specific location for the project or projects to be financed with GARVEE bond proceeds and shall include: a description of the project scope sufficiently detailed to provide a reasonable understanding of what will be accomplished, thereby avoiding any additions to such project or projects; timing for such projects, including estimated dates to solicit and award bids and estimated dates to begin project construction and completion; and estimated total costs of each project. No GARVEE bond proceeds shall be used for any projects not listed in subsection (1)(b) of this section.