State Highway Fund - Revenue Adjustments

FY 1999 - FY 2017 Approved

Table reflects: 1] Actual FY 2015 receipts as of August 11, 2015; 2] April 30, 2015 CREs for Approved Fiscal Years receipts estimates; and 3] Adjustments to reflect the July 30th, 2015 "FY 2016 SGF Expenditure Reduction and Fund Transfer Plan"

(Table does not reflect all sources of State Highway Fund revenue, such as vehicle registrations and motor fuels taxes.)

(In Thousands)

($000)	I			II		III			IV	V			VI	VII	VIII	VIIII			(2+4+7)		(3+5+6+7+8)
	1	2	3	4	5	6			7	8											
	Sales Tax Demand Transfer			Sales & Compensating Use Tax		State General Fund (SGF) Loans			SGF CTP Bond Payments	Transfers from the State Highway Fund (SHF)								($000)	RECEIPTS TOTAL	($000)	NET TOTAL
FY	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 Affordable Airfare	Highway Patrol SGF Transfer	Highway Patrol Direct Transfer	Gov. Rec. Reduction & Transfers	Statehouse Debt Service	Other Education Transfers	Other Health Transfers	TOTAL Listed Transfers	FY		FY	
1999	$ 106,119	$ 87,899	$ (18,220)	$ 85,889	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	1999	**$ 173,788**	1999	**$ (18,220)**
2000	107,910	62,240	(45,670)	88,598	-	-	-	-	-	-	-	-	-	-	-	-	-	2000	**150,839**	2000	**(45,670)**
2001	109,744	51,709	(58,035)	89,241	-	-	-	-	-	-	-	-	-	-	-	-	-	2001	**140,949**	2001	**(58,035)**
2002	138,261	94,288	(43,973)	91,611	-	(94,609)	-	(94,609)	-	-	-	-	-	-	-	-	-	2002	**185,899**	2002	**(138,582)**
2003	170,070	-	(170,070)	89,369	-	-	-	(94,609)	-	-	(2,249)	-	-	-	-	-	(2,249)	2003	**89,369**	2003	**(172,319)**
2004	179,519	-	(179,519)	90,137	-	(30,597)	-	(125,206)	-	-	-	-	-	-	-	-	-	2004	**90,137**	2004	**(210,116)**
2005	180,486	-	(180,486)	93,353	-	-	-	(125,206)	-	-	(35,092)	-	-	-	-	-	(35,092)	2005	**93,353**	2005	**(215,578)**
2006	190,213	-	(190,213)	98,914	-	-	-	(125,206)	-	-	(34,515)	-	-	-	-	-	(34,515)	2006	**98,914**	2006	**(224,728)**
2007	196,774	-	(196,774)	158,393	60,953	-	32,517	(92,689)	10,426	(5,000)	(30,207)	-	-	-	-	-	(35,207)	2007	**168,819**	2007	**(128,085)**
2008	187,869	-	(187,869)	273,293	186,682	-	30,896	(61,793)	16,150	(5,000)	(30,405)	-	-	-	-	-	(35,405)	2008	**289,443**	2008	**10,454**
2009	185,899	-	(185,899)	268,740	173,112	-	-	(61,793)	-	(5,000)	(37,179)	-	-	-	-	-	(42,179)	2009	**268,740**	2009	**(54,966)**
2010	[redacted]	[redacted]	[redacted]	259,445	[redacted]	[redacted]	[redacted]	(61,793)	-	(5,000)	(36,245)	-	(133,789)	-	-	-	(175,034)	2010	**259,445**	2010	**(175,034)**
2011				292,782				(61,793)	-	(5,000)	(36,000)	(19,766)	(105,000)	-	-	-	(165,766)	2011	**292,782**	2011	**(165,766)**
2012				312,514				(61,793)	-	-	(32,760)	(20,798)	-	-	-	-	(53,558)	2012	**312,514**	2012	**(53,558)**
2013				319,546				(61,793)	-	-	-	(54,022)	-	-	-	-	(54,022)	2013	**319,546**	2013	**(54,022)**
2014				485,458				(61,793)	-	(5,000)	-	(55,143)	(15,000)	-	(140,250)	-	(215,393)	2014	**485,458**	2014	**(215,393)**
2015				511,724				(61,793)	-	(5,000)	-	(55,152)	(173,479)	(20,000)	(107,250)	(9,750)	(370,631)	2015	**511,724**	2015	**(370,631)**
Ap'rvd 2016				537,497				(61,793)	-	(5,000)	-	(54,565)	(137,324)	(20,000)	(107,250)	(9,750)	(333,889)	Ap'rvd 2016	**537,497**	Ap'rvd 2016	**(333,889)**
Ap'rvd 2017				560,144				(61,793)	-	-	-	(55,819)	(130,771)	(20,000)	(107,250)	(9,750)	(323,590)	Ap'rvd 2017	**560,144**	Ap'rvd 2017	**(323,590)**
1999-2017 TOTAL	**$ 1,752,864**	**$ 296,136**	**$ (1,456,728)**	**$ 4,706,647**	**$ 420,747**	**$ (125,206)**	**$ 63,413**	**$ (61,793)**	**$ 26,576**	**$ (40,000)**	**$ (274,652)**	**$ (315,265)**	**$ (695,363)**	**$ (60,000)**	**$ (462,000)**	**$ (29,250)**	**$ (1,876,530)**	**1999-2017 RECEIPTS**	**$ 5,029,360**	**1999-2017 NET TOTAL**	**$ (2,947,727)**

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. 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. Later, the 2013 Legislature reduced the overall sales tax to 6.15 percent, effective July 1, 2013. This change in sales tax led to a recalculation of the amount that the State Highway Fund receives, in order to keep them whole. It is estimated that KDOT will receive sales tax in the amount of $537.5 million in FY 2016 and $560.1 million in FY 2017. The State Highway Fund currently receives 17.073 percent of the Sales and Compensating Use Tax.

III. A total of $125.2 million was "borrowed" from the State Highway Fund with arrangement to pay back from FY 2007 to FY 2010 (includes the 2002 Legislature transfer equal to the FY 2002 sales tax transfer, the 2003 Legislatures 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 Governor's FY 2011 recommendation called for the elimination of the FY 2009 payment that was delayed to FY 2011.

IV. The 2004 Legislature authorized the issuance of $210.0 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 General Fund to reimburse the State General Fund for FY 2009 and FY 2010 Comprehensive Transportation Program (CTP) bond payments (Interest and Principal in FY 2009, and Interest in FY 2010 as the Principal portion was part of the bond restructuring). The Governor's FY 2011 recommendation included the continued transfer of $25.0 million to reimburse the State General Fund for bond payments.

V. Transfers from the State Highway Fund include: (1) Affordable Airfare Fund: 2006 House Sub. for SB 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. In FY 2012 and FY 2013, this transfer was made from the Economic Development Initiatives Fund (EDIF), but then continued as a transfer from the State Highway Fund in FY 2014, FY 2015, and FY 2016. The program is scheduled for elimination for FY 2017. (2) The State Highway Fund transfer to the State General Fund to finance Highway Patrol operations. (3) A direct transfer from the State Highway Fund to the Highway Patrol to finance operations.

VI. The Governor's recommended and approved expenditure reductions and transfers to the State General Fund from the State Highway Fund include:

{FY 2010} (1) $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 Sub. for HB 2373); (3) $28.0 million captured through additional project letting reductions (recommended as part of the Governor's "Budget Balancing Plan" announced March 5, 2010).

{FY 2011} (1) $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.

{FY 2014} (1) $15.0 million transferred to the State General Fund as part of 2013 SB 171 (KTA/KDOT formalized partnership savings).

{FY 2015} (1) $15.0 million transferred to the State General Fund as part of 2013 SB 171 (KTA/KDOT formalized partnership savings); (2) $158.5 million transferred to the State General Fund as part of 2015 House Sub. for SB 4 ($150.7 million transfer, $7.8 million operations reduction).

{FY 2016} (1) $129.3 million transferred to the State General Fund as part of 2015 House Sub. for SB 112 ($116.0 million transfer, $13.3 million operations reduction); (2) $8.0 million transferred to the State General Fund noted as operational efficiencies savings included in the July 30th, 2015, "FY 2016 SGF Expenditure Reduction and Fund Transfer Plan." This action was authorized as part of 2015 Senate Sub. for HB 2135.

{FY 2017} (1) $130.8 million transferred to the State General Fund as part of 2015 House Sub. for SB 112 ($117.0 million transfer, $13.8 million operations reduction).

VII. Statehouse Debt Service - This column begins in FY 2015, and reflects only certain special transfers made from the State Highway Fund in 2015 House Sub. for SB 112, which include:

{FY 2015} - Transfers for Department of Administration - Statehouse Debt Service ($20.0 million).

{FY 2016} - Transfers for Department of Administration - Statehouse Debt Service ($20.0 million).

{FY 2017} - Transfers for Department of Administration - Statehouse Debt Service ($20.0 million).

VIII. Other Education Transfers - This column is not all inclusive. It begins in FY 2014, and reflects only certain special transfers made from the State Highway Fund in the approved budgets, which include:

{FY 2014} - Transfers for Education that include: Technical Education Transportation ($650,000); Transportation Weighting ($96.6 million); and Transportation of Special Ed Students ($43.0 million).

{FY 2015} - Transfers for Education that include: Technical Education Transportation ($650,000); Transportation Weighting ($96.6 million); and Transportation of Special Ed Students ($10.0 million).

{FY 2016} - Transfers for Education that include: Technical Education Transportation ($650,000); Transportation Weighting ($96.6 million); and Transportation of Special Ed Students ($10.0 million).

{FY 2017} - Transfers for Education that include: Technical Education Transportation ($650,000); Transportation Weighting ($96.6 million); and Transportation of Special Ed Students ($10.0 million).

VIIII. Other Health Transfers - This column begins in FY 2015, and reflects only certain special transfers made from the State Highway Fund in 2015 House Sub. for SB 112, which include:

{FY 2015} - Transfers for Aging and Disability Services - Mental Health Grants ($9.7 million).

{FY 2016} - Transfers for Aging and Disability Services - Mental Health Grants ($9.7 million).

{FY 2017} - Transfers for Aging and Disability Services - Mental Health Grants ($9.7 million).

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