

Fiscal Note



Fiscal Services Division

HF 345 - Scenic Byways (LSB1429HZ)

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Fiscal Note Version - New

Description

<u>House File 345</u> establishes a Scenic Byways Enhancement Fund in the State Treasury under the control of the Department of Transportation (DOT). For each application for vehicle registration renewal, county treasurers or the DOT must request through use of a written form or through verbal communication that an applicant make a voluntary contribution to the Fund. Contributions must be \$1 or more and computed to the nearest whole dollar. All moneys collected in the form of contributions must be remitted for deposit in the Fund.

Moneys in the Fund are appropriated to the DOT for the support, development, maintenance, and enhancement, including litter prevention, of scenic byways in the State. Up to 5.0% of the moneys collected by a county may be retained in the general fund of that county.

This Bill takes effect January 1, 2024.

Background

Vehicles registered under Iowa Code chapter <u>321</u> are subject to registration renewal annually. Vehicle registration must be renewed in the applicant's county of residence or online.

The statewide Scenic Highways Program was established under Iowa Code chapter 306D. Iowa Administrative Code 761 IAC 132 makes a distinction between a heritage byway and a scenic byway and retitles the program to the Iowa Byways Program. A heritage byway is defined as a route that has historic or cultural significance along its length or connects various areas or sites of historic or cultural significance along its length. A scenic byway means a route that has naturally scenic features visible along its length. Both byways are included under the Iowa Byways Program. Iowa currently has 14 byways, which include 3 national scenic byways, 1 State heritage byway, and 10 State scenic byways.

Under Iowa Code section 321.44A, applicants for vehicle registration or renewal can currently make a voluntary contribution of \$1 or more to the Anatomical Gift Public Awareness and Transplantation Fund established in Iowa Code section 142C.15. The counties maintain up to 5.0% of the moneys collected by the county. In calendar years 2021 and 2022, moneys collected in this Fund totaled \$126,000 and \$121,000, respectively.

Assumptions

- It is unknown how many voluntary contributions will be made to the Scenic Byways
 Enhancement Fund, whether contributions will vary year by year, or whether any
 contributions made will offset contributions previously made to the Anatomical Gift Public
 Awareness and Transplantation Fund.
- Counties will retain 5.0% of the total contributions made to the Scenic Byways Enhancement Fund. At this time, it is unknown which counties will receive this funding.

- Calendar year 2021 and 2022 contributions to the Anatomical Gift Public Awareness and Transplantation Fund are used to estimate contributions to the Scenic Byways Enhancement Fund.
- The DOT will absorb any additional information technology and administrative costs associated with this change in its existing resources and budget.

Fiscal Impact

At this time, it is difficult to determine the overall contributions to the Scenic Byways Enhancement Fund and whether any contributions would displace contributions previously made to the Anatomical Gift Public Awareness and Transplantation Fund.

If contributions made to the Scenic Byways Enhancement Fund mirror those made to the Anatomical Gift Public Awareness and Transplantation Fund, HF 345 is estimated to increase revenue to the Scenic Byways Enhancement Fund by \$59,000 in FY 2024 and \$118,000 each fiscal year thereafter. County general funds in the aggregate would receive an increase of \$3,000 in FY 2024 and \$6,000 in each fiscal year thereafter. Revenue collected in the Scenic Byways Enhancement Fund is appropriated to the DOT. Moneys remaining in the Fund at the end of the fiscal year are permitted to carry forward, and any interest earned remains in the Fund.

Sources

Department of Transportation Legislative Services Agency calculations

	/s/ Jennifer Acton
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