

STATE OF UTAH

Fund Information

FINET Name: (DOT) CENTENNIAL HIGHWAY FUND

FINET Fund: T2910

Legal Name: Centennial Highway Fund Restricted Account

Legal Authorization: UCA 72-2-118

Earns Interest: Yes No **Earns Interest Authority:** UCA 72-2-118(3)(a)(b)

Revenue Source(s):

1) Voluntary contributions, 2) State appropriations, 3) registration fees per 41-1a-1201(6)(a), 4) sales and use tax amounts per 59-12-103, 5) interest.

Description:

SB101 (1998 Legislature) Changed the Centennial Highway Fund from an expendable trust to a special revenue fund (see fund 776 for any activity prior to FY1999). Fund established to account for funding, other than transportation funds, used to pay for the costs of construction, major reconstruction, or major renovation to state and federal highways. Cash appropriations are transferred from the general fund to cover expenditures from construction costs. If all other cash resources have been expended then General Fund appropriations are the last dollars spent to protect interest earnings in the General Fund. Any unexpended General Fund appropriation at fiscal year end must be transferred to this fund.

The 1998 Legislature also recodified the Transportation Code. HB202, in part changed UCA 63-49-22, which pertains to the Centennial Highway Fund, to UCA 72-2-118.

Beginning 7/1/00, the 1/64% sales and use tax formerly allocated to the Olympics Special Revenue Fund will be deposited into this fund.

Fund may be expended by the Transportation Commission without the requirement of legislative appropriations.

HB 112 (2006 GS) Changed the fund type to be a restricted account within the Transportation Investment Fund of 2005. It also provides that a portion of the sales and use tax revenue shall be deposited annually into the Centennial Highway Fund Restricted Account. Also provides that the portion of the sales and use tax revenue that is deposited annually into the Centennial Highway Fund Restricted Account shall be deposited annually in the Transportation Investment Fund of 2005 when the highway general obligation bonds have been paid off and the highway projects completed that are intended to be paid from revenues deposited in the Centennial Highway Fund Restricted Account.

HB 314 (2007 GS) Requires the Division of Finance to transfer funds from the Centennial Highway Fund Restricted Account into the Transportation Investment Fund of 2005 if the fund monies are not required to pay certain costs for highway projects in the Centennial Highway Program in the current fiscal year.

HB 0106 (2008 GS) Eliminates the clean fuel special tax certificate surcharge, effective January 1, 2009, which are currently being deposited in the Centennial Highway Fund Restricted Account, but were to be deposited in the TIF 2005 when the highway general obligation bonds were paid off and projects completed that were paid from revenues deposited in the Centennial Highway Fund Restricted Account.

HB 359 (2008 GS) Effective January 1, 2009, increases the state sales and use tax rate from 4.65% to 4.70%, and provides that: 1) .025% of the increase will be deposited into the Critical Highway Needs Fund and the TIF 2005 Fund (shared equally), and 2) .025% of the increase will be deposited into the Transportation Fund to address chokepoints in construction management.

HB 106 (2008 GS) Effective January 1, 2009, the clean special fuel tax certificate is eliminated, eliminating the \$35 surcharge as a source of revenue to the Centennial Highway Fund Restricted Account.

HB 438 (2010 GS) For FY 11 only, reduces the amount of sales and use tax revenue that is deposited into the CHF from 8.3% to 1.93%.

SB 229 (2011 GS) For a fiscal year beginning on or after July 1, 2012, increases the amount of certain sales and use tax revenue that is deposited into the Centennial Highway Fund or the Transportation Investment Fund of 2005. In FY 12 - 8.3% of the 17% sales and use tax related to vehicles; in FY 13 and beyond - 8.3% of the 17% tax, plus a 30%

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growth factor. Also has a provision for calculating the percentage if tax collected is less than the previous year. Bill was vetoed 3/30/2011. Veto override 5/6/2011.

SB 225 (2012 GS) Modifies provisions relating to transportation funding. Effective July 1, 2012, provides that certain registration fees and sales and use tax dedications be deposited in the TIF of 2005 rather than the Centennial Highway Restricted Account and the Critical Highway Needs Fund. Also provides that certain principal, interest, and issuance costs of bonds shall be paid from the TIF of 2005 rather than Centennial Highway fund Restricted Account and the Critical Highway Needs Fund.

Note: Effective FY 2012, the funds/accounts that are included in the ADAA category (Fund 2900, 2910, 2806) are classified as capital projects funds for reporting purposes. GAAP requires that the capital projects fund type be used to account for outlays financed from the proceeds of general obligation debt.

HB 399 (2013 GS) Changes the terminology of each "restricted special revenue fund" to a new designation of "expendable special revenue fund." The bill also provides intent language that any reference to "restricted special revenue fund" in the code be replaced with "expendable special revenue fund." Thus, the three new restricted special revenue funds created during the 2013 session will be so designated. (# 2330, 2185, 2201) Classifies the following funds as "capital projects funds": Transportation Investment Fund of 2005; Centennial Highway Fund; and Critical Highway Needs Fund. Modifies the description of fund types to better comply with new Government Accounting Standards Board requirements. Provides that the Attorney General Litigation Fund is an expendable revenue fund.

HB 3, Item 38 (2013 GS) The Legislature intends that the remaining balances in the Centennial Highway Fund be transferred to the Transportation Investment Fund of 2005. The Legislature intends that the remaining balances in the Critical Highway Needs Fund be transferred to the Transportation Investment Fund of 2005. Per this intent language, the Division of Finance will coordinate this action with UDOT at the end of FY 2013.

Fund Balance History:

Fund	Year	Beg Balance	Revenues	Expenses	Transfers	End Balance
T2910	1999	\$458,853,026	\$182,930,561	\$481,263,854	\$124,341,877	\$284,861,610
T2910	2000	\$284,861,610	\$73,592,988	\$383,275,589	\$143,876,894	\$119,055,904
T2910	2001	\$119,055,904	\$146,223,497	\$364,699,069	\$163,353,000	\$63,933,331
T2910	2002	\$63,933,331	\$361,872,467	\$205,357,931	\$84,909,381	\$305,357,248
T2910	2003	\$305,357,248	\$180,933,545	\$203,877,011	\$37,819,967	\$320,233,748
T2910	2004	\$320,233,748	\$61,385,235	\$197,630,016	\$32,924,646	\$216,913,613
T2910	2005	\$216,913,613	\$123,360,163	\$152,952,739	(\$3,506,166)	\$183,814,871
T2910	2006	\$183,814,871	\$83,986,224	\$164,749,802	\$40,438,530	\$143,489,823
T2910	2007	\$143,489,823	\$250,676,467	\$363,981,908	\$80,706,773	\$110,891,155
T2910	2008	\$110,891,155	\$215,410,663	\$373,221,530	\$172,406,200	\$125,486,489
T2910	2009	\$125,486,489	\$181,906,101	\$216,405,554	(\$90,392,242)	\$594,794
T2910	2010	\$594,794	\$169,492,868	\$60,060,823	(\$60,045,500)	\$49,981,339
T2910	2011	\$49,981,339	\$52,396,247	(\$1,829,006)	(\$59,518,800)	\$44,687,793
T2910	2012	\$44,687,793	\$189,387,982	\$142,095	(\$55,029,600)	\$178,904,079
T2910	2013	\$178,904,079	\$283,684	\$0	(\$179,187,763)	\$0