

**FISCAL NOTE**

|                                  | <b>FY 2020</b> | <b>FY 2021</b> | <b>FY 2022</b> |
|----------------------------------|----------------|----------------|----------------|
| <b>NON-ADMINISTRATIVE IMPACT</b> |                |                |                |
| Anticipated Revenue increase     |                |                |                |
| HIGHWAY FUND                     | \$0            | \$4,400,000    | \$4,400,000    |
| LOCAL SOURCES FUND               | \$0            | \$2,200,000    | \$2,200,000    |

Source of revenue increase:

This bill would adjust the current fuel tax rates on gasoline, diesel fuel and alternative fuels based on the Consumer Price Index (CPI), beginning July 1, 2020 and each even-numbered year thereafter. These adjustments would be based on the percentage change in the CPI for the most recent 24-month period ending December 31 of the preceding year, rounded to the nearest tenth of a cent.

Assumptions:

The initial adjustment to fuel tax rates would go into effect on July 1, 2020 (FY 2021) based on the percentage change in the CPI for the 24-month period ending December 31, 2019. This actual percentage change in the CPI over this period, and the corresponding adjustment to fuel tax rates on July 1, 2020 are currently unknown.

**Key Assumption:**

The estimated revenue increase presented in the table above is hypothetical only. It is displayed to provide an estimate of a possible fiscal impact to fuel tax revenues in FY 2021 and FY 2022. The actual impact to future revenues could be more or less, depending on the actual change in the CPI for the 24-month period ending December 31, 2019.

The above estimate is based on the percentage change in the CPI of 4.23% for the 24-month period ending December 31, 2017. Application of this percentage change in the CPI would adjust total fuel tax rates from 24.0 cents per gallon to 25.0 cents per gallon in FY 2021 and FY 2022. This hypothetical revenue increase is based on fuel taxes projected for FY 2021 and FY 2022 by the Wyoming Department of Transportation.

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