

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 08-0401
Prime Sponsor(s): Rep. Marostica
 Sen. Tochtrop

Date: January 17, 2008
Bill Status: House Transportation and Energy
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TITLE: CONCERNING MOTORCYCLE DRIVER'S LICENSE ENDORSEMENTS.

Fiscal Impact Summary	FY 2008-2009	FY 2009-2010
State Revenue		
Cash Funds - Highway Users Tax Fund (HUTF)	<\$5,000	<\$5,000
State Expenditures		
General Fund*	\$15,876	\$0
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: July 1, 2008, and applies to offenses committed or applications submitted on or after this date.		
Appropriation Summary for FY 2008-2009: None.		
Local Government Impact: See Local Government Impact section.		

* Historically the annual Long Bill includes line item funding for programming costs in the Department of Revenue for session legislation. Current year funding is \$226,778 and 2.2 FTE. The fiscal note identifies the costs associated with this bill, but the bill does not require an appropriation.

Summary of Legislation

The bill requires the Department of Revenue (DOR) to establish motorcycle driver's license endorsements for driver's licenses, minor driver's licenses, and instruction permits. It divides the current motorcycle license endorsement into a general endorsement for any motorcycle and limited endorsements for a 3-wheel motorcycle or a motor-driven cycle. The bill restricts driver's who possess a limited endorsement from operating certain motorcycles.

A person operating a motorcycle in violation of these new requirements commit a class 2 misdemeanor traffic offense.

State Revenue

Under current law, the penalty for a class 2 misdemeanor traffic offense is 10 to 90 days imprisonment in a county jail, a fine of \$10 to \$300, or both. Fine revenue is deposited into the Highway Users Tax Fund. Because the courts have the discretion of incarceration or imposing a fine, the impact to state revenue cannot be determined. A minimal amount of fine revenue is assumed under the bill.

State Expenditures

The creation of any new endorsements on driver's licenses will require computer programming costs from Colorado's driver's license vendor, Digimarc, at a cost of \$15,000. It will also require one-time computer programming costs of \$876 (25 hours x \$35.03) for DOR in FY 2008-09.

Local Government Impact

The penalty for a class 2 misdemeanor traffic offense is 10 to 90 days imprisonment in a county jail, a fine of \$10 to \$300, or both. The impact at the local level cannot be determined because the courts have the discretion of incarceration or imposing a fine. The cost to house an offender in county jails varies from \$45 to \$50 per day in smaller rural jails to \$62 to \$65 per day for larger Denver-metro area jails. For the current fiscal year, the state reimburses county jails a daily rate of \$49.69 to house state inmates. It is assumed that the impact of this new misdemeanor will be minimal. Additionally, the bill increases fine revenue to local governments and the HUTF. Counties and municipalities receive 35 percent of the HUTF fine revenue for highway purposes.

State Appropriations

None required.

Departments Contacted

Judicial Public Safety Revenue