



Colorado Legislative Council Staff Fiscal Note
**STATE and LOCAL
 FISCAL IMPACT**

Drafting Number: LS 08-0424
Prime Sponsor(s): Rep. Vaad
 Sen. Spence

Date: January 16, 2008
Bill Status: House Transportation and Energy
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TITLE: CONCERNING A REQUIREMENT THAT THE TRANSPORTATION COMMISSION EVALUATE THE STATE HIGHWAY SYSTEM, AND, IN CONNECTION THEREWITH, REQUIRING THE COMMISSION TO REMOVE ROADS FROM THE SYSTEM IF IT DETERMINES THAT IT IS FEASIBLE AND APPROPRIATE TO DO SO.

Fiscal Impact Summary	FY 2008-2009	FY 2009-2010
State Revenue		
State Expenditures		
Cash Funds		
State Highway Fund	\$245,793	\$122,897
FTE Position Change	4.0 FTE	2.0 FTE
Effective Date: Upon signature of the Governor or upon the bill becoming law without his signature.		
Appropriation Summary for FY 2008-2009: See State Appropriations section.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

The bill requires the Colorado Transportation Commission to assess the state highway system during FY 2008-09 to determine whether it is appropriate to reduce the system's size by removing roads or portions of roads, including state highways located in municipalities. It requires the commission to identify each road that provides minimal statewide benefit. The commission is required to:

- remove roads from the statewide transportation system that it determines can feasibly and appropriately be removed; and
- report to the Transportation Legislation Review Committee (TLRC) by October 1, 2009.

Background. The state's transportation system is managed by the Colorado Department of Transportation (CDOT) under the direction of the Transportation Commission. The commission, which is made up of 11 commissioners who represent specific districts, makes recommendations to the Governor and the General Assembly relative to state transportation policy. The TLRC is authorized to give guidance and direction to the CDOT in the development of the state transportation system and to provide legislative oversight of such development.

State Expenditures

State expenditures in the CDOT are expected to increase by \$245,793 and 4.0 FTE in FY 2008-09 and \$122,897 and 2.0 FTE in FY2009-10. Expenditures are shown in Table 1 and described below.

Cost Components	FY 2008-09	FY 2009-10
Personal Services	\$241,993	\$120,997
FTE	4.0	2.0
Operating Expenses	3,800	1,900
TOTAL	\$245,793	\$122,897

The CDOT requires staff to assess state highways. Staff workload includes identifying portions of roads that provide minimal statewide or multi-regional benefits, determining the feasibility of removing roads, reviewing documents related to transferring roads to local governments, and reporting to the TLRC. The FTE would be distributed across the state to reduce time and costs for this assessment, and retained for half of FY 2009-10 to finalize the assessment. As staff is only required for half of FY 2009-10, 2.0 FTE are needed.

Future expenditures in CDOT are expected to decrease as the bill requires the Transportation Commission to remove roads from the statewide system. This will reduce construction, maintenance, and repair costs for these roads. However, costs savings are not identified as the bill does not indicate when the roads are to be removed.

Local Government Impact

Local governments may experience minimal costs to assist the CDOT with its road assessment. An increase in future expenditures will likely result for the maintenance, construction, and repair of any roads the state turns over to local governments. However, there will also be an increase in Highway Users Tax Fund (HUTF) moneys distributed to local governments as these distributions are based upon total lane miles in their jurisdictions. The amount of the impact is not quantified at this time.

State Appropriations

For FY 2008-09, because the State Highway Fund is continuously appropriated to the Department of Transportation, the department only needs authorization for 4.0 FTE.

Departments Contacted

Transportation