

NO FISCAL IMPACT
This fiscal note is prepared pursuant to Joint Rule 22. (b) (2)

Drafting Number: LLS 10-0227 **Date:** January 20, 2010 **Prime Sponsor(s):** Rep. Balmer **Bill Status:** House SVMA

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TITLE: CONCERNING A PROHIBITION ON THE USE OF PUBLIC MONEYS FOR ANY

PHYSICAL SIGNAGE THAT INDICATES THAT A PROJECT IS BEING FUNDED BY THE FEDERAL "AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009".

Summary of Legislation

With amendment HB1079_L.001, the bill prohibits the use of public moneys for signs indicating that a state or local transportation project is being funded by the federal "American Recovery and Reinvestment Act of 2009" — commonly referred to as ARRA or the federal stimulus act. Public moneys include state, local government, and federal funds. The bill is effective upon signature of the Governor, or upon becoming law without his signature.

Background

The state has received ARRA funds in both FY 2008-09 and FY 2009-10. In large part, they were provided to: (1) increase the federal share for the state's Medicaid program; (2) fund highway projects, water quality grants, superfund site cleanup and construction, and various other capital construction projects; and (3) augment the state General Fund. Although the requirements for receiving ARRA funds has varied, it is important to note that some grants required that a sign be erected at a construction site, most notably in the Department of Public Health and Environment.

Assessment

The bill is assessed at having no fiscal impact. The bill pertains only to the Department of Transportation (CDOT) and local governments which have discretion when erecting signs at transportation projects. Additionally, the bill does not require that any signs come down, only that no new signs go up after the bill becomes law.

• **Department of Transportation.** Due to public safety concerns, the U.S. Department of Transportation, Federal Highway Administration, strongly encourages but does not mandate agencies to use economic recovery signs on all projects receiving ARRA funds.

To date, CDOT has received a net ARRA apportionment of \$385.6 million. Of this amount, \$103.0 million has been expended, with the remainder expected to be obligated and under contract by March 1, 2010. Although signs have been

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erected at a number of projects at a cost of \$1,485 to \$2,475 per project, no signs will be erected should the bill become law. At this time, no additional ARRA funds are anticipated by CDOT for either FY 2009-10 or FY 2010-11.

• *Local Governments*. Much like CDOT, it is assumed that no signs will be erected for ARRA funded transportation projects at the local level should the bill become law.

Departments/Organizations Contacted

All Departments Colorado Counties