



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

Drafting Number: LLS 11-0462
Prime Sponsor(s): Rep. Becker

Date: January 19, 2011
Bill Status: House Transportation
Fiscal Analyst: Kurtis Morrison (303-866-3140)

TITLE: CONCERNING THE RESTRICTION OF SENATE BILL 09-108 FUNDING TO ROAD AND BRIDGE PROJECTS.

Fiscal Impact Summary	FY 2015-2016	FY 2016-2017
State Revenue Cash Funds Highway Users Tax Fund	No Net Change See State Revenue section.	
State Expenditures Cash Funds Highway Users Tax Fund	No Net Change See State Expenditures section.	
FTE Position Change	(8.0 FTE)	
Effective Date: Section 2 shall take effect on July 1, 2011; the remainder shall take effect upon passage.		
Appropriation Summary for FY 2011-2012: None		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

House Bill 11-1075 eliminates the requirements for Senate Bill 09-108 (Funding Advancements for Surface Transportation and Economic Recovery Act of 2009) revenue to be expended on transit-related projects and other expenditures. Specifically, the bill:

- eliminates, **effective in FY 2015-16**, an annual \$10 million dedication of Senate Bill 09-108 revenue for transit-related expenditures;
- redefines, **effective in FY 2011-12**, the statutory definition of "road safety project" to restrict Senate Bill 09-108 revenue from being expended on construction or maintenance of bikeways or dedicated bicycle lanes, except as necessary to ensure bicyclist or driver safety at intersections with bikeways or lanes; and
- eliminates, **effective in FY 2015-16**, an annual \$5 million allocation to the Colorado Department of Transportation (CDOT) Division of Transit and Rail to provide grants to local governments for local transit projects.

Background

Senate Bill 09-108 requires that revenue generated by the road safety surcharge, daily vehicle rental fee, oversize and overweight vehicle surcharge, supplemental unregistered vehicle fine, and late vehicle registration fee be deposited in the Highway Users Tax Fund (HUTF) and distributed to the State Highway Fund (60%), counties (22%), and cities (18%). State law requires that such revenue be used only for road safety projects, with the exception of \$10 million to be used for transit-related projects, including bicycle and pedestrian highway lanes and safety enhancements for transit users.

State Revenue

The bill has no net effect on state revenue. The bill eliminates transit funding requirements for Senate Bill 09-108 revenue. The change has no net effect on state revenue as all funds would be retained in the HUTF and subject to formula allocations to the State Highway Fund, counties, and cities. Total fee revenue remains unchanged, with all Senate Bill 09-108 revenue dedicated for road and bridge, but not transit, expenditures.

State Expenditures

The bill has no net effect on state expenditures, but reallocates funding for transit purposes, and eliminates 8.0 FTE in FY 2015-16. Elimination of the \$10 million allocation for transit purposes results in the funds being retained in the HUTF for expenditure on road safety projects. Therefore, there is no net change in state expenditures.

The CDOT Division of Transit and Rail is comprised of 15.0 FTE — 7.0 FTE originally transferred from the CDOT Division of Transportation Development, and 8.0 FTE funded by the \$10 million allocation of Senate Bill 09-108 revenue. By restricting Senate Bill 09-108 revenue from transit-purposes, the bill thereby eliminates 8.0 FTE with the Division of Transit and Rail, at the conclusion of FY 2014-15, although a number of the division's statutory duties will remain in state law, such as administering federal transit grants.

Local Government Impact

The bill has no net effect on total transportation funding for all counties and cities, but changes the allocation of funds among local governments. By eliminating statutory requirements for the \$5 million dedicated for local government grants, funds will be retained in the HUTF for formula distributions to counties and cities, rather than be provided to local governments through a discretionary grant. As such, individual counties and cities may experience net increases or decreases in state transportation funding, based upon amount of funds previously received through grants versus HUTF formula distributions — although aggregate funding for counties and cities will remain unchanged.

Departments Contacted

Revenue Transportation