Colorado Legislative Council Staff Fiscal Note

STATE FISCAL IMPACT

Drafting Number: LLS 14-1036 **Date:** April 21, 2014

Prime Sponsor(s): Rep. Tyler **Bill Status:** House Transportation and Energy **Fiscal Analyst:** Kristen Koehler (303-866-4918)

SHORT TITLE: AUTOCYCLES, MOTORCYCLES, & MOTOR VEHICLES

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue	Minimal decrease. See State Revenue section.	
State Expenditures	\$33,990	
Cash Funds	33,990	
FTE Position Change		
Appropriation Required: \$33,990 - Department of Revenue (FY 2014-15)		

^{*} This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

This bill defines "autocycle" and removes this type of vehicle from classification and regulation as a motorcycle. An autocycle is defined as a three-wheeled, self-propelled motor vehicle that has a hard-top enclosure, airbags, and safety belts. The bill requires that autocycles be issued license plates that are similar to motorcycle license plates.

Background

Currently, three-wheeled vehicles are titled and registered as motorcycles. As such, drivers are required to obtain a motorcycle endorsement to operate the vehicle. Under the bill, autocycles will be titled and registered as autocycles and will not be subject to the requirements that are in place for motorcycle drivers.

Presently, "autocycles" as defined by the bill are not readily available in the market and it is expected that few, if any, autocycles are currently registered in the state. Department of Revenue (DOR) databases are not able to differentiate between motorcycles and autocycles.

State Revenue

Overall, this bill is expected to have a minimal reduction on cash fund revenue beginning in FY 2014-15.

Under current law, an autocycle is titled and registered as a motorcycle and the driver is required to obtain a motorcycle instruction permit and a motorcycle endorsement on his or her driver's license. Under the bill, autocycle drivers will no longer be required to meet these

requirements. This may reduce cash fund revenue to the DOR for a motorcycle instruction permit (\$14 per applicant) and for the motorcycle endorsement fee (\$2 per endorsed driver's license). To the extent that autocycles are titled and registered in lieu of motorcycles, cash fund revenue to the DOR will decrease. An estimate of this reduction has not been calculated, but is expected to be minimal.

State Expenditures

For FY 2014-15, this bill increases workload and one-time cash fund expenditures in the DOR by \$33,900.

DOR. For FY 2014-15, the DOR will be required to purchase programming services to make changes to the Colorado State Titling and Registration System to create a new "autocycle" licence plate type, to allow for autocycle registration, and to collect and distribute fees. Programming will be performed by the Governor's Office of Information Technology (OIT) at a one-time cost of \$33,990 (330 at \$103 per hour).

The DOR will also be required to update rules, forms, manuals, and the department's website to reflect the change in law. These activities can be completed without new appropriations.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2014-15, the Department of Revenue requires a cash fund appropriation of \$33,990 from the CSTARS account of the Highway Users Tax Fund. In addition, the Governor's Office of Information Technology requires spending authority for \$33,990 in reappropriated funds.

State and Local Government Contacts

Revenue Clerk and Recorders Corrections