



**Colorado
Legislative
Council
Staff**

HB16-1186

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0934 **Date:** February 11, 2016
Prime Sponsor(s): Rep. Tyler **Bill Status:** House Transportation and Energy
 Sen. Baumgardner **Fiscal Analyst:** Clare Pramuk (303-866-2677)

BILL TOPIC: MAP-21 RAIL FIXED GUIDEWAY SAFETY FUND GRANT MATCH

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue	\$0	\$0
<i>State Diversions</i>		
General Fund	up to (150,000)	
Cash Funds	up to 150,000	
State Expenditures		
Appropriation Required: None.		
Future Year Impacts: Potential for diversions is ongoing.		

Summary of Legislation

Under current law, 3 percent of public utilities fees collected by the Department of Revenue (DOR) on behalf of the Public Utilities Commission (PUC) in the Department of Regulatory Agencies (DORA) must be credited to the General Fund. The bill requires that up to \$150,000 of the fees be diverted to the Fixed Utility Fund (FUF) with any remainder credited to the General Fund. This diversion will occur in FY 2016-17, and any fiscal year thereafter in which a grant match is required for the receipt of federal money under the federal Moving Ahead for Progress in the 21st Century Act for rail fixed guideway system safety oversight responsibilities.

Background

The PUC is primarily funded by the FUF. Revenue to the FUF comes from fees assessed on regulated electric, natural gas, and telecommunications utilities at a rate set annually based on the amount needed to cover applicable PUC and other utility regulation expenditures in DORA. The rate is applied to each regulated company's gross intrastate utility operating revenues, as calculated by the DOR. The rate of FUF assessments for electric and natural gas utilities is capped at 0.25 percent of gross revenue.

Assumptions

Because PUC expenditures average \$12 to \$13 million per year, the 3 percent credit to the General Fund from fixed utility fees has been consistently above \$350,000 in recent years. Therefore, the fiscal note assumes that the full \$150,000 will be diverted to the FUF in FY 2016-17 and any fiscal year thereafter that the federal matching dollars are required.

State Revenue

State diversion. The bill diverts **up to \$150,000 in FY 2016-17** in fixed utilities fees from the General Fund to the FUF. This diversion does not affect overall net revenue to the state.

Effective Date

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

State and Local Government Contacts

Information Technology Regulatory Agencies