



Colorado Legislative Council Staff
**STATE AND LOCAL
 FISCAL IMPACT**

Drafting Number: LLS 06-0168
Prime Sponsor(s): Rep. Pommer
 Sen. Williams

Date: January 9, 2006
Bill Status: House Transportation & Energy
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TITLE: CONCERNING PRIVATE TOLL ROADS AND TOLL HIGHWAYS, AND, IN CONNECTION THEREWITH, SPECIFYING REQUIREMENTS THAT MUST BE MET BEFORE A CORPORATION CAN CONSTRUCT A PRIVATE TOLL ROAD OR TOLL HIGHWAY.

Fiscal Impact Summary	FY 2006/2007	FY 2007/2008
State Revenues		
Cash Funds - State Highway Fund	Potential Increase	
State Expenditures		
Cash Funds - State Highway Fund	Potential Increase	
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: Upon the signature of the Governor.		
Appropriation Summary for FY 2006/2007: None required. The Department of Transportation has continuous spending authority from the State Highway Fund.		
Local Government Impact: Increased costs for local governments to process disclaimers of interest and to approve land use plans of private toll road corporations.		

Summary of Legislation

This bill requires a corporation formed for the purpose of constructing a private toll road to:

- specify in its article of incorporation a proposed route for the toll road within 3 miles and to identify all known investors and shareholders;
- receive certification from the Executive Director of the Colorado Department of Transportation that the corporation has prepared all necessary analyses required by federal law, identified and implemented all mitigation measures required by federal law, and received transportation planning region approval, including incorporation of the toll road project into statewide and regional transportation plans;

- provide written notification to each person who owns real property within the proposed route of the toll road of the intent of the corporation to acquire such person's real property;
- file a disclaimer of interest with the county clerks and recorders for each applicable real property owner within the proposed route; and
- obtain approval of toll road construction plans from the board of county commissioners in which property affected by the construction is located.

State Revenues

The Department of Transportation is required to review and certify various aspects of the toll highway project, and the bill authorizes the department to impose a fee on the toll highway corporation to cover the reasonable expenses incurred by the department. The fiscal note assumes that these additional revenues will be deposited into the State Highway Fund. However, because the magnitude and timing of these new revenues depend upon the nature of each toll project, no estimate has been made.

State Expenditures

The Department of Transportation will incur additional costs to review and certify that the toll highway corporation has prepared all the necessary analyses required by federal law, identified and implemented all mitigation measures required by federal law, and analyzed the toll highway project for inclusion in the statewide transportation plan. Moreover, the inclusion of the toll highway project in the statewide transportation plan requires the department to verify that the toll project is financially viable and has sufficient financial resources to construct, operate, and maintain the toll road. The bill authorizes the department to impose fees to cover these expenses. The magnitude and timing of these additional expenses has not been estimated. The expenses will be paid out of the State Highway Fund which is continuously appropriated to the department.

Local Government Impact

The bill requires a toll corporation to provide written notice to each person who owns real property within the proposed route of the project of the intent of the corporation to acquire such person's real property. County assessors are required to mail these notices to affected property owners, but the corporation shall reimburse counties for these expenses. The bill also requires a toll corporation to file a disclaimer of interest with the county clerks and recorders of applicable real property owners within the proposed route. Local governments will incur additional costs to process these disclaimers of interest. Moreover, local governments will incur costs to review and approve land use plans related to the construction of a private toll highway. These costs can not be currently quantified.

State Appropriations

No new state appropriations are needed to implement the bill in FY 2006-07. The Department of Transportation has continuous spending authority from the State Highway Fund.

Departments Contacted

Transportation Local Affairs