



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**FISCAL NOTE**

**Drafting Number:** LLS 19-0704  
**Prime Sponsors:** Rep. Gray  
Sen. Todd

**Date:** February 26, 2019  
**Bill Status:** House Trans. & Local Govt.  
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**Bill Topic:** LIVERY TRANSPORTATION AUTHORITY SERVICE REGULATION

**Summary of Fiscal Impact:**

|   |  |
|---|--|
| <input checked="" type="checkbox"/> State Revenue     | <input checked="" type="checkbox"/> TABOR Refund |
| <input checked="" type="checkbox"/> State Expenditure | <input type="checkbox"/> Local Government        |
| <input type="checkbox"/> State Transfer               | <input type="checkbox"/> Statutory Public Entity |

This bill requires certain luxury limousine carriers to operate as livery transportation authorities. It will increase state revenue and expenditures on an ongoing basis.

**Appropriation Summary:** In FY 2019-20, the bill requires an appropriation of \$4,982 to the Department of Regulatory Agencies.

**Fiscal Note Status:** The fiscal note reflects the introduced bill.

**Table 1**  
**State Fiscal Impacts Under HB 19-1181**

|                     |                        | FY 2019-20      | FY 2020-21      |
|---------------------|------------------------|-----------------|-----------------|
| <b>Revenue</b>      | Cash Funds             | \$40,000        | \$40,000        |
|                     |                        | <b>\$40,000</b> | <b>\$40,000</b> |
| <b>Expenditures</b> | General Fund           | \$4,982         | \$9,963         |
|                     | Centrally Appropriated | \$1,366         | \$2,734         |
|                     | <b>Total</b>           | <b>\$6,348</b>  | <b>\$12,697</b> |
|                     | <b>Total FTE</b>       | <b>0.1 FTE</b>  | <b>0.2 FTE</b>  |
| <b>Transfers</b>    |                        | -               | -               |
| <b>TABOR Refund</b> | General Fund           | \$40,000        | -               |

## Summary of Legislation

This bill authorizes chartered, chauffeured transportation through a livery transportation authority (authority). A luxury limousine company is required to register as an authority with the Public Utilities Commission (PUC) by January 1, 2020, if it meets the following criteria:

- provides service within and between points in the counties of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Garfield, El Paso, Jefferson, Larimer, Pitkin, and Weld, and between those points and all points within the state; and
- has a fleet of at least three vehicles, each with a manufacturer's suggested retail price of \$35,000 or more, or, if located in Gilpin or Pitkin county, a fleet of two or more such vehicles.

Authorities must apply for and obtain a permit from the PUC, pay a \$500 permit fee, and maintain sufficient insurance. Drivers for authorities must obtain a criminal history record check, provide proof of medical fitness, and comply with hours-of-service requirements. Vehicles used by an authority must be inspected at least annually. The PUC may promulgate safety rules regarding authority service; however, the PUC is prohibited from promulgating rules regarding the age or make and model of vehicles within an authority's fleet. The PUC may increase the permit fee by up to 10 percent every three years.

## Data and Assumptions

**Luxury limousine carriers.** There are approximately 570 luxury limousine carriers with 1,050 vehicles operating in the proposed authority service area as of writing. Approximately 80 carriers with approximately 485 total vehicles meet the bill's requirements to form an authority. The remainder of luxury limousine carriers are single or two car carriers.

Under current law, the PUC regulates luxury limousines as limited regulation carriers for which it provides safety, insurance, and operational oversight through a permitting process. These carriers do not currently pay a fee for their permits, and pay a per vehicle stamp fee of \$50. Current law does not require an annual verification of the number of vehicles in a permit holder's fleet. Drivers are currently required to obtain a criminal history record check.

## State Revenue

The bill will increase state revenue to the Motor Carriers Cash Fund in the PUC by \$40,000 per year beginning in FY 2019-20.

**Fee impact on livery transportation authorities.** Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. The bill creates a \$500 fee for an annual authority permit and does not change the annual per vehicle stamp fee. Table 2 below identifies the fee impact of this bill.

**Table 2**  
**Fee Impact on Livery Transportation Authorities**

| <b>Fiscal Year</b> |               | <b>Fee</b> | <b>Payers</b> | <b>Total</b>    |
|--------------------|---------------|------------|---------------|-----------------|
| FY 2019-20         | Annual Permit | \$500      | 80            | <b>\$40,000</b> |
| FY 2020-21         | Annual Permit | \$500      | 80            | <b>\$40,000</b> |

**State Expenditures**

The bill will increase expenditures in the PUC by \$6,348 and 0.1 FTE in FY 2019-20 and \$12,697 and 0.2 FTE in FY 2020-21 from the Motor Carriers Cash Fund in the PUC. Expenditures are shown in Table 3 and discussed below.

**Table 3  
Expenditures Under HB 19-1181**

|  | <b>FY 2019-20</b> | <b>FY 2020-21</b> |
|--|-------------------|-------------------|
| <b>Department of Regulatory Agencies</b> |                   |                   |
| Personal Services                        | \$4,982           | \$9,963           |
| Centrally Appropriated Costs*            | \$1,366           | \$2,734           |
| <b>Total Cost</b>                        | <b>\$6,348</b>    | <b>\$12,697</b>   |
| <b>Total FTE</b>                         | <b>0.1 FTE</b>    | <b>0.2 FTE</b>    |

\* Centrally appropriated costs are not included in the bill's appropriation.

**Public Utilities Commission — Department of Regulatory Agencies.** The PUC requires 0.2 FTE criminal investigator to perform the onsite vehicle inspections required by the bill. First-year costs reflect a half-year impact.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$1,366 in FY 2019-20 and \$2,734 in FY 2020-21.

**TABOR refunds.** The bill is expected to increase state General Fund obligations for TABOR refunds by \$40,000 in FY 2019-20. Under current law and the December 2018 forecast, the bill will correspondingly increase the amount refunded to taxpayers via sales tax refunds on income tax returns for tax year 2020. The state is not expected to collect a TABOR surplus in FY 2020-21.

**Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature. It applies to conduct occurring on or after this date.

**State Appropriations**

For FY 2019-20, the bill requires an appropriation of \$4,982 from the Motor Carriers Cash Fund to the Public Utilities Commission in the Department of Regulatory Agencies and an allocation of 0.1 FTE.

**State and Local Government Contacts**

Information Technology  
Public Safety

Law  
Regulatory Agencies