



Legislative
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FISCAL NOTE

Drafting Number: LLS 20-1014
Prime Sponsors: Rep. Holtorf

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Bill Status: House Trans. & Local Govt.
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Bill Topic: SNOW REMOVAL OPERATIONS ON STATE HIGHWAYS

- Summary of Fiscal Impact:**
- State Revenue
 - State Expenditure
 - State Transfer
 - TABOR Refund
 - Local Government
 - Statutory Public Entity

The bill requires the Department of Transportation to conduct snow removal operations from 4:00 a.m. to 10:00 p.m. on every state highway where a winter storm watch or warning is issued by the National Weather Service. The bill will increase state expenditures on an ongoing basis.

Appropriation Summary: No appropriation is required as the State Highway Fund is continuously appropriated to the Department of Transportation.

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

Table 1
State Fiscal Impacts Under HB 20-1310

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	State Highway Fund	\$1,409,725	\$1,478,000
	Centrally Appropriated	\$152,086	\$165,412
	Total	\$1,561,811	\$1,643,412
	Total FTE	10.4 FTE	11.3 FTE
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill requires the Department of Transportation (CDOT) to conduct snow removal operations from 4:00 a.m. to 10:00 p.m. on every state highway where a winter storm watch or warning is issued by the National Weather Service.

Background and Assumptions

CDOT currently maintains 26,000 lane miles. During winter conditions, the Transportation Commission has directed CDOT to maintain 24-hour snow removal on state highways that have an annual average daily traffic (AADT) of 1,000 vehicles or greater. For roadways with an AADT of less than 1,000, CDOT maintains 14-hour coverage between 5:00 a.m. and 7:00 p.m. CDOT's regional transportation directors may grant waivers for highway segments designated for 14-hour coverage if the segments exceed statewide accident rates or are emergency/hospital routes.

There are currently 5,700 lane miles with an AADT of less than 1,000. Of the 5,700 lane miles, 4,144 are maintained for 14 hours and 1,566 have been granted waivers for 24-hour winter maintenance. Over the past six years, CDOT has spent approximately \$14.68 per mile plowed. Based on the average of the past six years, the fiscal note assumes CDOT winter road maintenance expenditures will increase by an average of 3.1 percent per year.

CDOT funding. CDOT is primarily funded from the State Highway Fund (SHF), which is comprised of federal funds, the state's share of the Highway Users Tax Fund, and other various sources of revenue. The decision-making authority for the majority of state transportation revenue rests with the Transportation Commission, which is responsible for allocating funds from the SHF.

State Expenditures

The bill increases SHF expenditures by \$1.6 million and 11.3 FTE in FY 2020-21 and FY 2021-22. These costs are shown in Table 2 and discussed below.

Table 2
Expenditures Under HB 20-1310

	FY 2020-21	FY 2021-22
Department of Transportation		
Personal Services	\$416,160	\$453,993
Equipment Costs	\$561,279	\$578,476
Materials Costs	\$432,286	\$445,531
Centrally Appropriated Costs*	\$152,086	\$165,412
Total Cost	\$1,561,811	\$1,643,412
Total FTE	10.4 FTE	11.3 FTE

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

Department of Transportation. CDOT requires labor, equipment, and material costs for an additional 4 hours of maintenance for the 4,144 lane miles currently being maintained from 5:00 a.m. and 7:00 p.m. The additional 11.3 FTE Transportation Maintenance I may be a combination of new seasonal workers, new full-time workers, or overtime hours for existing personnel depending on the availability of labor in different regions of the state. Equipment costs include snowplow and driver-related equipment, and materials costs include anti-ice or deicing agents. First-year FTE costs are prorated for the bill's August effective date.

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 in \$152,086 in FY 2020-21 and \$165,412 in FY 2021-22.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

State Appropriations

No appropriation is required. Funding from the contentiously appropriated SHF is allocated by the Transportation Commission. The commission will adjust spending from the SHF to accommodate the increase in CDOT expenditures under the bill.

State and Local Government Contacts

Information Technology

Transportation