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Fiscal Note

Drafting Number: LLS 22-0968 Date: April 5, 2022
Prime Sponsors: Sen. Hansen; Rankin Bill Status: Senate Appropriations
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Bill Topic: EARLY STAGE FRONT RANGE PASSENGER RAIL FUNDING

- Summary of Fiscal Impact:
State Revenue (unchecked)
State Expenditure (checked)
State Transfer (checked)
TABOR Refund (unchecked)
Local Government (checked)
Statutory Public Entity (checked)

The bill makes a transfer from the General Fund to two cash funds for development of the front range passenger rail corridor. The bill increases state expenditures in FY 2022-23 through FY 2024-25, and increases ongoing expenditures in a statutory public entity starting in the current FY 2021-22.

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 SB 22-176

Table with 4 columns: Category, Current Year FY 2021-22, Budget Year FY 2022-23, Out Year FY 2023-24. Rows include Revenue, Expenditures (Cash Funds, Total Expenditures), Transfers (General Fund, Cash Funds, Net Transfer), and Other Budget Impacts.

1 Funding transferred in FY 2022-23 will be spent over a period of three years starting in FY 2022-23, with around \$2.2 million per year spent on development of the Burnham Yard property through FY 2024-25. See State Expenditures section for more detail.

Summary of Legislation

The Front Range Passenger Rail District was established by Senate Bill 21-238 to implement an interconnected passenger rail system along the Interstate 25 corridor. This bill transfers money from the General Fund to support development of the Front Range Passenger Rail corridor, including funding for rail district operations and to develop the Burnham Yard property, which will be used to consolidate and expand rail lines in the Front Range Passenger Rail corridor through Denver. Development of the Burnham Yard property will include conceptual design work, analysis of impacts to surrounding communities, and stakeholder engagement related to moving the existing rail line. This work is required by the Federal Railroad Administration before a full National Environmental Policy Act analysis can occur.

State Transfers

The bill makes General Fund transfers of \$2.4 million in FY 2021-22 and \$6.5 million in FY 2022-23 to fund development of the Front Range Passenger Rail corridor, as shown in Table 2 and discussed below.

Table 2
Transfers Under SB 22-176

	Current Year FY 2021-22	Budget Year FY 2022-23
General Fund	(\$2,400,000)	(\$6,500,000)
Southwest Chief Rail Line Economic Development, Rural Tourism, and Infrastructure Repair and Maintenance Fund / Front Range Passenger Rail District Fund	\$2,400,000	-
State Highway Fund	-	\$6,500,000
Net Transfer	\$0	\$0

The bill transfers \$2.4 million to the Southwest Chief Rail Line Economic Development, Rural Tourism, and Infrastructure Repair and Maintenance Fund on June 15, 2022, from the General Fund. On June 30, 2022, the remaining fund balance is transferred to the Front Range Passenger Rail District, and the fund repeals July 1, 2022. The bill also transfers \$6.5 million to the State Highway Fund on July 1, 2022 for CDOT to develop the Burnham Yard Rail Property.

State Expenditures

The bill increases State Highway Fund expenditures in CDOT by \$6.5 million over a three-year period starting in FY 2022-23 to develop the Burnham Yard property for use by the Front Range Passenger Rail corridor. Costs include conducting public outreach, an environmental analysis, preliminary engineering, surveying and utilities investigation, railroad coordination, geotechnical investigation and project management. CDOT workload will be accomplished using 3.0 FTE of existing staff. Funds in the State Highway Fund are continuously appropriated to CDOT.

Local Government

Workload will increase for local governments to the extent that development of the Front Range Passenger Rail corridor and the Burnham Yard property require coordination with CDOT and the Front Range Passenger Rail District.

Statutory Public Entity

The Front Range Passenger Rail District, an independent political subdivision of the state, is responsible for researching, developing, constructing, operating and maintaining an interconnected passenger rail system along the Front Range. For FY 2021-22, revenue will increase in the Front Range Passenger Rail District by \$2.4 million to provide funding for matching grants from the federal government. This funding will be used on an ongoing basis to develop the district's rail service development plan, operations plan, and Front Range Passenger Rail District financial plan.

Effective Date

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

State and Local Government Contacts

Counties	Information Technology
Municipalities	Regional Transportation District
Transportation	Treasury