



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number:	LLS 24-0743	Date:	July 16, 2024
Prime Sponsors:	Rep. Soper; Snyder Sen. Roberts; Will	Bill Status:	Signed into Law
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Bill Topic: OFFENSES RELATED TO OPERATING A VEHICLE

Summary of Fiscal Impact:	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill modifies the penalty for operating a commercial motor vehicle without a commercial driver license and requires the Transportation Legislation Review Committee to analyze the issues of enforcing impaired driving offenses, careless driving, and failing to maintain certain vehicle insurance. It increases state and local revenue and expenditures on an ongoing basis.

Appropriation Summary: For FY 2024-25, the bill requires and includes an appropriation of \$1,455 to the Department of Revenue.

Fiscal Note Status: This final fiscal note reflects the enacted bill.

Table 1
State Fiscal Impacts Under HB 24-1135

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue	Highway Users Tax Fund	\$12,400	\$12,400
Expenditures	DRIVES Cash Fund	\$1,455	\$1,483
Transfers		-	-
Other Budget Impacts	TABOR Refund	\$12,400	\$12,400

Summary of Legislation

The bill makes it a class 1 misdemeanor traffic offense to operate a commercial motor vehicle without a commercial driver license; to operate a commercial motor vehicle while under 21 years of age; or to drive a commercial vehicle with more than one license. It is also an offense for an employer to authorize an employee to drive a commercial vehicle if they do not satisfy these requirements. The offense becomes a class A traffic infraction if an offender presents a valid commercial driver license to the court within 30 days.

In addition, during the 2024 legislative interim, the bill requires the Transportation Legislation Review Committee to:

- analyze the issue of enforcement of impaired driving offenses, including situations involving a driver that refuses to take or complete a blood or breath test as required by law;
- study careless driving, the frequency of careless driving incidents that result in accidental death, and whether the current possible civil and criminal charges and associated penalties are appropriate; and,
- study appropriate penalties for failing to maintain motor vehicle or low-powered scooter insurance.

Comparable Crime Analysis

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or creates a new factual basis for an existing crime. The following section outlines crimes that are comparable to the offenses in this bill and discusses assumptions on future rates of criminal convictions resulting from the bill.

Prior conviction data – unlawful commercial vehicle operation. This bill creates the offense of unlawful direction to operate a commercial motor vehicle. Commercial motor vehicle offenses are currently charged as class A traffic infraction. The new offense is a class 1 misdemeanor; however, it becomes a class A traffic infraction if the driver presents their commercial driver license within 30 days of the offense. From FY 2020-21 to FY 2022-23, 245 have been convicted and sentenced for this offense, or about 82 per year. Of the persons convicted, 240 were male, 4 were female, and 1 did not have a gender identified. Demographically, 153 were White, 23 were Black/African American, 14 were Hispanic, 2 were Asian, 45 were classified as "Other," and 8 did not have a race identified.

Assumptions. Based on the comparable crime data above, the fiscal note assumes there will be about 82 cases per year for the violation of unlawful commercial vehicle operation. Assuming 25 percent of offenders present a commercial driver license within the required timeframe, the fiscal note assumes 62 offenders will receive a sentence for the new class 1 misdemeanor offense per year. Visit leg.colorado.gov/fiscalnotes for more information about criminal justice costs in fiscal notes.

State Revenue

The bill will increase state revenue to the Highway Users Tax Fund (HUTF) by about \$12,000 per year beginning in FY 2024-25, as shown in Table 2. This revenue is subject to TABOR.

Table 2
Revenue Under HB 24-1135

	FY 2024-25	FY 2025-26
Fines for CDL Offenses	\$12,400	\$12,400
Total	\$12,400	\$12,400

Commercial driver license offenses. The bill increases state revenue from increasing the fine for driving without a commercial license from \$100 to at least \$300. Using the assumptions outlined in the Comparable Crime Section, it is estimated that increasing the fine will increase revenue by at least \$12,400 per year. Traffic fine revenue is deposited into the Highway Users Tax Fund (HUTF), with 65 percent going to the State Highway Fund, 26 percent going to counties, and 9 percent going to municipalities.

State Expenditures

The bill increases state expenditures from the DRIVES Cash Fund by about \$1,500 in FY 2024-25 and FY 2025-26 in the Department of Revenue (DOR). It also increases workload for the Judicial Department and the Legislative Department. Expenditures are shown in Table 3 and detailed below.

Table 3
Expenditures Under HB 24-1135

	FY 2024-25	FY 2025-26
Department of Revenue		
Programming Costs	\$1,455	\$1,483
Total	\$1,455	\$1,483

¹ Centrally appropriated costs are not included in the bill's appropriation.

Department of Revenue. The bill requires \$1,455 in FY 2024-25 and \$1,483 in FY 2025-26 for programming to the Driver License, Record, Identification and Vehicle Enterprise Solution (DRIVES) system to update the citation for operating a commercial vehicle without a license. Costs for programming will come from the DRIVES Cash Fund.

- **Duplicative DRIVES programming costs.** The Division of Motor Vehicles (DMV) in the DOR uses the DRIVES information technology system for all driver license and motor vehicle transactions. The DRIVES system requires an extensive 18-month upgrade which is scheduled to take place from July 1, 2024, through March 31, 2026. Based on the current

effective date in the bill, the fiscal note includes costs for the DRIVES programming to take place twice — in the existing and new system.

Judicial Department. The bill minimally increases workload to the trial courts, independent agencies that represent indigent persons, and workload to the Division of Probation. This workload impact is absorbable within existing resources.

Legislative Department. The Transportation Legislation Review Committee meets every interim, and will analyze the issues required by the bill.

Other Budget Impacts

TABOR refunds. The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section above. This estimate assumes the March 2024 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2025-26. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save.

Local Government

HUTF revenue. By increasing traffic fines and offenses for driving a commercial vehicle without a license, the bill increases revenue from the HUTF to counties and municipalities.

District attorneys. Expenditures to district attorney offices will increase to prosecute additional offenses. District attorney offices are funded by counties within each office's judicial district.

Jails. To the extent additional individuals are sentenced to jail for committing a misdemeanor, costs to jails will increase. The fiscal note assumes sentences to jails will be minimal.

Denver County Court. Similar to the state, workload to Denver County Court will increase to try additional misdemeanor cases. Denver County Court is funded by the city and county of Denver.

Effective Date

This bill was signed into law by the Governor and took effect on May 20, 2024, and applies to offense committed on or after August 1, 2024.

State Appropriations

For FY 2024-25, the bill requires and includes an appropriation of \$1,455 from the DRIVES Cash Fund to the Department of Revenue.

State and Local Government Contacts

Corrections
Judicial
Public Safety

Counties
Law
Revenue

District Attorneys
Legislative Council Staff
Transportation

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).