



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

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<b>Drafting Number:</b>	LLS 24-0679	<b>Date:</b>	June 24, 2024
<b>Prime Sponsors:</b>	Rep. Hamrick; Frizell Sen. Zenzinger	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** LOCAL GOVERNMENT UTILITY RELOCATION IN RIGHT-OF-WAY

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**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 type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill requires local governments performing road improvement projects to enter into agreements with utility companies for utility relocation. It may increase state and local revenue and expenditures on an ongoing basis.

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**Appropriation Summary:** No appropriation is required.

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

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## Summary of Legislation

The bill requires local governments to notify affected utility companies of a road improvement project and establishes guidelines for notifications from local governments. Local governments and utility companies must enter into an agreement regarding any utility relocation, which will include information on the scope of the relocation, who will perform the relocation, a coordinated relocation schedule, and compensation if a company delays relocation work. In lieu of an agreement, a utility company may also deliver a signed and executed clearance letter. Nothing in the bill alters the terms of any franchises or licenses granted in accordance with state law.

## State Revenue and Expenditures

The bill may increase revenue in the Judicial Department due to a possible increase in civil case filings, and may increase workload for any violations that result in cases brought to the trial courts. This fiscal note assumes violations will be rare, but cases may be complex and require significant staff time to process. Since violations and court actions are assumed to be minimal, no appropriation is required.

## Local Government

The bill may impact local government workload, expenditures, and revenue on an ongoing basis. Workload may increase for government staff needed to develop and review utility relocation agreements. Municipally owned utility companies may incur expenses if they delay the schedule of a project and are forced to pay for costs associated with the delay. In addition, the bill may increase revenue for local governments that receive any utility company payments caused by project delays.

## Effective Date

The bill was signed into law by the Governor on June 3, 2024, and takes effect on August 7, 2024, assuming no referendum petition is filed.

## State and Local Government Contacts

Counties	Municipalities	Local Affairs
Transportation	Judicial	Regulatory Agencies

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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](#).