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FISCAL NOTE

Drafting Number: LLS 19-0187
Prime Sponsors:

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Bill Status: Transportation Legislation
Review Committee Bill Request
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Bill Topic: TRANSPORTATION OF HAZARDOUS MATERIALS

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

This bill concerns hazardous materials route designation procedures and the establishment of an infrastructure evaluation program and working group to evaluate the transportation of hazardous materials through the Eisenhower-Edwin C. Johnson Memorial Tunnel. From current FY 2018-19 to FY 2023-24, the bill creates a minimal workload increase and will potentially increase state revenue.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the draft bill requested by the Transportation Legislation Review Committee.

Summary of Legislation

The bill allows a public highway authority or any governmental entity that is a partner in a public-private partnership to apply for a new route or changes to an existing hazardous materials route designation. Also, the bill authorizes the Colorado State Patrol (CSP), after recommendation from the Colorado Department of Transportation (CDOT) and local governments, to permanently designate a hazardous materials route on any road to address immediate public safety concerns.

In addition, the bill creates the Eisenhower-Edwin C. Johnson Memorial Tunnel (tunnel) Infrastructure Evaluation Program (program). The purpose of the program, a TABOR-exempt enterprise, is to determine conditions and improvements needed for the safe transportation of hazardous materials through the tunnel. A 15-member working group will evaluate and recommend infrastructure improvements. Two-thirds of the working group may vote to authorize the levying of a fee on hazardous material carriers, not to exceed \$15 per one-way trip, on the transportation of hazardous materials through the tunnel. The bill creates the Eisenhower-Edwin C. Johnson Memorial Tunnel Improvement Program Cash Fund to receive the proceeds of the fees, as well as any money received by the program. The fund repeals on July 1, 2024.

Finally, the bill sets requirements for potential hazardous material carriers to meet in order for carriers to receive authorization to transport hazardous materials through the tunnel.

Background

CSP regulates and enforces both the interstate and intrastate transportation of hazardous materials in Colorado. CSP has the authority to designate which public roads may be used by vehicles transporting hazardous materials. Counties, municipalities, and CDOT may currently apply for new hazardous materials route designations or request changes to existing routes. CSP must provide adequate public notice before approving a hazardous materials route designation.

The Transportation Commission has the authority to regulate transportation through the tunnel. Hazardous materials, including gasoline, diesel fuel, and liquefied petroleum, may not be transported through the tunnel on Interstate 70. If designated hazardous material routes are closed due to adverse weather, CDOT may allow exclusive travel through the tunnel at specific times for vehicles carrying hazardous materials. CDOT previously studied the transportation of hazardous materials through the tunnel in 2006 and 2011.

State Revenue

Beginning in the current FY 2018-19, the bill has the potential to increase state revenue. While the bill does create the Eisenhower-Edwin C. Johnson Memorial Tunnel Improvement Program Cash Fund, no cash fund revenue increase is expected unless the working group creates a new fee on hazardous material carriers that transport gasoline, diesel, or liquefied petroleum gas through the tunnel. The fund may also receive money allocated from the Transportation Commission, money appropriated from the General Assembly, matching grants from the Great Outdoors Colorado Program, federal funds, and any other gifts, grants or donations. Because the program is limited to five years, the potential revenue is expected to discontinue at the end of FY 2023-24.

State Expenditures

Beginning in the current FY 2018-19 and continuing through FY 2023-24, workload will increase for CSP and CDOT as discussed below. Any expenditures from the fund must be appropriated by the General Assembly.

Colorado State Patrol. Due to the addition of new petitioners, the additional authority for hazardous materials route designations for immediate public safety, and participation in the working group, workload will increase for CSP.

Colorado Department of Transportation. A workload increase is expected in FY 2019-20 for CDOT in order to coordinate the infrastructure evaluation program and the working group. The bill does not require reimbursement of working group members and the commissioning of a study is dependent on the recommendation of the working group.

Local Government

Local governments respond to incidents on hazardous material routes. These responses require specific hardware and training. Roads designated hazardous materials routes by CSP to address immediate public safety concerns may increase FY 2019-20 local governments expenditures to outfit response vehicles and train staff. In addition, a workload increase is expected for local governments to participate in the working group.

Effective Date

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

Departmental Difference

The Department of Public Safety estimates that it will cost \$16,620 and an additional 0.1 FTE in FY 2019-20 under the bill, paid from the new Eisenhower-Edwin C. Johnson Memorial Tunnel Infrastructure Improvement Cash Fund, for participation by the Director of the Division of Fire Prevention and Control in the working group. However, the fiscal note assumes that participation in the working group can be achieved within the workloads of each participating agency.

State and Local Government Contacts

Counties	Information Technology	Local Affairs
Municipalities	Public Health and Environment	Public Safety
Regulatory Agencies	Revenue	Transportation
Treasury		

