



**Colorado
Legislative
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SB17-243

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0306 **Date:** March 23, 2017
Prime Sponsor(s): Sen. Baumgardner; Todd **Bill Status:** Senate Transportation
 Rep. Jackson **Fiscal Analyst:** Ryan Long (303-866-2066)

BILL TOPIC: CONTINUE MOTORCYCLE OPERATOR SAFETY TRAINING PROGRAM

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue	\$0	\$860,000
<i>Continuing revenue</i>		
Cash Funds		860,000
<i>State Transfer</i>		
Cash Funds	(440,000)	
Cash Funds	440,000	
State Expenditures	\$0	\$877,000
<i>Continuing expenditures</i>		
Cash Funds		857,216
Centrally Appropriated Costs		19,784
<i>State Transfer</i>		
Cash Funds	(440,000)	
Cash Funds	430,108	
Centrally Appropriated Costs	9,892	
TABOR Impact	\$0	\$877,000
FTE Position Change	0.5 FTE	1.0 FTE
Appropriation Required: \$430,108 - Department of Public Safety (FY 2017-18)		
Future Year Impacts: Continuation of revenue and expenditures through FY 2023-24		

Note: While all agencies were canvassed for this fiscal note, not all agencies responded with complete information. Therefore, this fiscal note should be considered preliminary. It will be updated if new information becomes available.

Summary of Legislation

Under current law, the Motorcycle Operator Safety Training (MOST) program is scheduled to repeal on July 1, 2017. This bill continues the MOST program for three years, and transfers the program from the Office of Transportation Safety in the Department of Transportation (CDOT) to the Office of the Chief of the Colorado State Patrol in the Department of Public Safety (DPS), effective January 1, 2018.

Background

The MOST program is funded by a \$2 surcharge for a motorcycle endorsement on driver licenses and a \$4 surcharge on the registration of a motorcycle. Money is credited to the MOST Cash Fund in the Department of Revenue (DOR) and used by CDOT to administer the program, contract for motorcycle training programs, and provide public relations related to motorcycle safety.

Fiscal Impact of Programs Set to Expire

This bill continues the MOST program that is set to repeal effective June 30, 2017. In the current FY 2016-17, the program has revenue of approximately \$860,000 and expenditures of approximately \$877,000 and 1.0 FTE. Under current law, state agencies may be appropriated funds to wind up the affairs of an expiring program for 12 months following the repeal date. As a result, there are no new costs in FY 2017-18.

However, because the bill transfers the MOST program to DPS from CDOT, the fiscal note shows a transfer in FY 2017-18 so that spending authority may be granted to the correct department.

State Revenue

By continuing and modifying the MOST program, the bill transfers about \$430,000 in FY 2017-18 and increases cash fund revenue to the MOST cash fund by approximately \$860,000 in FY 2018-19, deposited into the MOST Cash Fund. This revenue represents a continuation of existing revenue to the program. Money in the fund is continuously appropriated, and unspent money remains in the fund for use in future fiscal years.

TABOR Impact

This bill increases state revenue from fees, which will increase the amount of money required to be refunded under TABOR for FY 2018-19. TABOR refunds are paid out of the General Fund. Since the bill increases the TABOR refund obligation without a corresponding change in General Fund revenue, the amount of money available in the General Fund for the budget will decrease by an identical amount.

State Expenditures

The bill transfers program expenditures to DPS in the amount of \$440,000 in FY 2017-18, and continues expenditures of \$877,000 in FY 2018-19, paid from the MOST Cash Fund. For FY 2018-19, costs represent the continuation of the program beyond its current repeal date. These costs are outlined in Table 1 and outlined below.

Table 1. Expenditures Under SB 17-243		
Cost Components	FY 2017-18	FY 2018-19
Personal Services	\$26,971	\$53,943
FTE	0.5	1.0
Operating Expenses and Capital Outlay Costs	20,178	30,950
Safety Promotions	125,000	250,000
Contracting costs	257,959	522,323
Centrally Appropriated Costs*	9,892	19,784
TOTAL	\$440,000	\$877,000

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

Personal services. In order to continue the MOST program, DPS will require 0.5 FTE and approximately \$47,000 in personal services and operating costs in FY 2017-18. DPS will require 1.0 FTE and approximately \$85,000 in personal services and operating costs in FY 2018-19 and in future years. Currently, the program is run by 1.0 FTE in CDOT. Personal services costs are prorated in FY 2017-18 to account for the transfer date of the program. It is assumed the FTE in CDOT will be reallocated, and no corresponding decrease of FTE in CDOT is required.

Safety promotions. For FY 2017-18, DPS will spend \$125,000 on public relations for motorcycle safety promotion. These costs are prorated to account for the transfer date of the program. While these are continuing costs, DPS will require an appropriation so that spending authority may be granted to the correct department.

Contracting costs. For FY 2017-18, DPS will spend around \$258,000 on contracts with private sector training providers. These costs are prorated to account for the transfer date of the program. While these are continuing costs, DPS will require an appropriation so that spending authority may be granted to the correct department.

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. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2. DPS indirect costs are 11.4 percent

Table 2. Centrally Appropriated Costs Under SB17-002		
Cost Components	FY 2017-18	FY 2018-19
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$4,400	\$8,801
Supplemental Employee Retirement Payments	2,417	4,834
Indirect Costs	3,075	6,150
TOTAL	\$9,892	\$19,785

Effective Date

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

State Appropriations

For FY 2017-18, this bill requires a cash fund appropriation of \$430,108 to the Department of Public Safety from the MOST Cash Fund and an allocation of 0.5 FTE.

State and Local Government Contacts

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