

REVISED **FISCAL NOTE**

Nonpartisan Services for Colorado's Legislature

(replaces fiscal note dated February 24, 2020)

Drafting Number: LLS 20-0944 **Date:** March 19, 2020 **Prime Sponsors:** Rep. Holtorf Bill Status: House Finance

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AGRICULTURAL PRODUCTS OVERWEIGHT MOTOR VEHICLE **Bill Topic:**

□ TABOR Refund Summary of Fiscal Impact: □ Local Government □ State Transfer □ Statutory Public Entity

> The bill creates a three-month overweight divisible load permit for two- or three-axle trailer combinations. The bill decreases state revenue beginning in FY 2020-21 and

increases state workload beginning in FY 2020-21.

Appropriation Summary:

No appropriation is required.

Fiscal Note Status:

This revised fiscal note reflects the introduced bill as amended by the House

Transportation and Local Government Committee.

Summary of Legislation

The bill creates a three-month overweight divisible load permit for two- or three-axle trailer combinations at a cost of \$125.

Background and Assumptions

The Department of Transportation (CDOT) currently issues permits for vehicles with overweight divisible loads. Revenue from the sale of these permits is deposited into the State Highway Fund. These permit prices are summarized in Table 2 below.

Table 2 **CDOT Overweight Permits**

Vehicle Type	Single Trip Permits	Six Month Permit	Annual Permit
General Vehicle	\$15 plus \$5 per axle	-	\$400
Quad Axle	\$30 plus \$10 per axle	-	\$500
Two- or Three-axle Trailer	\$15 plus \$10 per axle	\$250	\$500

The fiscal note assumes that some portion of individuals who currently purchase the two- or three-axle trailer six-month permit will elect to purchase the new three-month permit. The number of individuals who will elect to purchase the new three-month permit is unknown. CDOT issued 3,796 two- or three-axle trailer six-month permits in 2019.

State Revenue

To the extent that individuals who currently purchase the six-month permit elect to purchase the new three-month permit, fee revenue to the State Highway Fund will decrease by \$125 per individual. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. The fee amount has not been estimated as the number of potential permits has not been determined. Permit fees are subject to TABOR.

State Expenditures

The bill will increase workload in CDOT beginning in FY 2020-21 to process the new three-month permits and to assist customers with applications. This increase in workload can be accomplished within existing appropriations.

TABOR refund. Under the March 2020 LCS Economic and Revenue Forecast, the state is not expected to collect revenue above the TABOR limit in either FY 2020-21 or FY 2021-22, and refund obligations are not anticipated for these years. This bill does not change these expectations concerning refunds to taxpayers.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Information Technology Public Safety Revenue Transportation