



Legislative
Council Staff
Nonpartisan Services for Colorado's Legislature

HB 20-1376

REVISED FISCAL NOTE

(replaces fiscal note dated May 26, 2020)

Drafting Number: LLS 20-1253
Prime Sponsors: Rep. Esgar; McCluskie
 Sen. Zenzinger; Rankin
Date: June 8, 2020
Bill Status: Senate Finance
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Bill Topic: **MODIFY TRANSPORTATION FUNDING MECHANISMS**

Summary of Fiscal Impact:

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

Budget package bill. This bill repeals scheduled transfers in FY 2020-21 and FY 2021-22 and changes the source of funds used to pay lease obligations. It also cancels the referral of a 2020 ballot measure requiring the issuance of Transportation Revenue Anticipation Notes (TRANS).

Appropriation Summary: The bill requires and includes appropriations that shift \$12 million for the Department of the Treasury in FY 2020-21 from the General Fund to the State Highway Fund.

Fiscal Note Status: This revised fiscal note reflects the reengrossed bill, which was initially recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

**Table 1
State Fiscal Impacts Under HB 20-1376**

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	(\$12.0 million)	(\$12.0 million)
	State Highway Fund	\$12.0 million	\$12.0 million
	Total	\$0	\$0
Transfers	General Fund	\$50.0 million	\$50.0 million
	State Highway Fund	(\$50.0 million)	(\$50.0 million)
		\$0	\$0
TABOR Refund		-	-

Summary of Legislation

The bill changes transportation-related transfers and expenditures for lease payments for FY 2020-21 and FY 2021-22. It also repeals state law requiring referral of a 2020 ballot measure to authorize the issuance of Transportation Revenue Anticipation Notes (TRANS), and repeals some requirements of the Department of Transportation (CDOT) related to a study of emerging transportation technologies. These provisions are discussed below.

Transfers. Current law requires annual transfers from the General Fund to the State Highway Fund between FY 2020-21 and FY 2039-40. The bill cancels transfers scheduled for FY 2020-21 and FY 2021-22.

Lease payments. Under current law, the state makes annual lease payments on state buildings on which lease-purchase agreements were executed pursuant to Senate Bill 17-267. Lease payments are made as follows:

- first, \$9 million annually from the General Fund;
- next, up to \$50 million annually from the State Highway Fund or another source under the control of the Transportation Commission; and
- last, the remaining amount from the General Fund, estimated at \$53.5 million in FY 2020-21 and \$91.0 million in FY 2021-22 and subsequent years.

For FY 2020-21 and FY 2021-22 only, the bill increases the State Highway Fund obligation by \$12 million per year, correspondingly decreasing the General Fund obligation by \$12 million per year.

Ballot measure. Under current law, a ballot measure is referred to voters at the 2020 General Election to authorize the issuance of up to \$1.837 billion in TRANS. The bill repeals statute referring the ballot measure.

CDOT requirements. The bill also repeals the requirement that CDOT promulgate rules and issue a final report in relation to the stakeholder group established to examine the impacts of new and emerging transportation technologies pursuant to Senate Bill 19-239.

Assumptions

Current law. Current law includes provisions that take effect only if the 2020 ballot measure is not approved by voters. Consistent with the May 2020 Legislative Council Staff forecast, which assumes that the 2020 referred measure will not pass, this fiscal note treats these provisions as current law.

State Transfers

The bill cancels scheduled transfers of \$50.0 million per year from the General Fund to the State Highway Fund for each of FY 2020-21 and FY 2021-22.

State Expenditures

The bill decreases General Fund expenditures for lease payments by \$12.0 million in each of FY 2020-21 and FY 2021-22, and correspondingly increases State Highway Fund expenditures for lease payments by the same amount. The bill also decreases CDOT workload to conduct rulemaking and issue a final report pursuant to SB 19-239. As workload increases for these requirements were assessed as minimal, workload decreases associated with the repeal of these requirements are likewise assessed as minimal.

Effective Date

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

State Appropriations

The bill requires and includes the following adjustments to FY 2020-21 Department of Treasury appropriations for lease payments:

- a \$12.0 million decrease in General Fund appropriations, and;
- a \$12.0 million increase in appropriations from various cash funds under the control of the Transportation Commission.

State and Local Government Contacts

Transportation

Treasury