



Legislative Council Staff

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FISCAL NOTE

Drafting Number: LLS 20-0646
Prime Sponsors: Sen. Bridges

Date: February 7, 2020
Bill Status: Senate Business
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Bill Topic: ROBOTIC DEVICE DELIVER CARGO

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

The bill regulates the use of robotic devices for delivery in pedestrian areas and on highways. The bill increases state revenue and workload beginning in FY 2020-21.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

The bill regulates the use of mobile carrying devices and personal delivery devices (robotic devices). A mobile carrying device is defined as a self-propelled robot that transports cargo within a pedestrian area while remaining within 25 feet of a human operator. A personal delivery device is a self-propelled robot that transports cargo within a pedestrian area, or on a highway, with the remote support and supervision of a human. These devices are not considered vehicles for purposes of the traffic code.

The bill establishes the following regulations:

- a mobile carrying device may be used to deliver cargo in a pedestrian area, and a personal delivery device may be used in a pedestrian area or on a highway;
- a business is considered the operator of a robotic device for compliance with traffic laws; unless an agent of the business is acting outside the scope of their position, then the agent is considered the operator;
- a person is not considered the operator of a robotic device because the person requests the delivery or dispatches the device;
- to use a robotic device in a pedestrian area: it must comply with pedestrian traffic laws and local regulations; yield to or not obstruct the right-of-way of other traffic; may not transport hazardous materials; and be monitored and controlled by a person;
- a personal delivery device must be: equipped with an adequate braking system; the name and contact information of the owner and a unique identification number; and adequate lights (if operated at night) to be used in a pedestrian area or on a highway;

- a robotic device may not go faster than 12 miles per hour in a residential area, or 20 miles per hour on a highway; and
- a person must maintain an insurance policy of at least \$100,000 to operate a robotic device in either a pedestrian area or on a highway.

Under the bill, a local authority may regulate robotic devices; however, local regulations may not conflict with this bill, limit the hours or zones of operation, or substantially prohibit the use of robotic devices.

State Revenue

To the extent that robotic devices violate traffic laws, state cash fund revenue will increase to the Highway Users Tax Fund (HUTF), which is subject to TABOR. Of the HUTF revenue generated under this bill, 65 percent is credited to the State Highway Fund for expenditure by the Department of Transportation, 26 percent is credited to counties, and 9 percent is credited to municipalities. This revenue increase is expected to be minimal.

State Expenditures

The bill may increase workload in the Department of Public Safety beginning in FY 2020-21. Assuming robotic devices lead to additional traffic violations on roadways covered by the Colorado State Patrol, workload will increase. This workload increase is expected to be minimal and can be accomplished within existing resources.

TABOR refund. The bill is expected to increase state General Fund obligations for TABOR refunds by a minimal amount in FY 2020-21 and FY 2021-22. Under current law and the December 2019 Legislative Council Staff forecast, the bill will correspondingly increase the amount refunded to taxpayers via sales tax refunds made available on income tax returns for tax years 2021 and 2022, respectively. A forecast of state revenue subject to TABOR is not available beyond FY 2021-22.

Local Government

The bill may increase revenue and expenditures for local governments. As discussed in the state revenue section, of any new revenue deposited into the HUTF from traffic law violations, 26 percent is distributed to counties and 9 percent is distributed to municipalities.

An increase in traffic violations resulting from robotic devices would increase workload for local law enforcement. Additionally, the preemptive language in the bill regarding local regulation of robotic devices may result in additional expenditures to revise local pedestrian right of way laws and regulations. Due to the nascent nature of this technology, revenue and expenditures are expected to be minimal in the near future and will vary between local government.

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

Counties	Information Technology	Law
Municipalities	Public Safety	Regulatory Agencies
Revenue	Sheriffs	Transportation