



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number:	LLS 23-0111	Date:	July 6, 2023
Prime Sponsors:	Sen. Winter F.; Hinrichsen Rep. Catlin; Froelich	Bill Status:	Signed into Law
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Bill Topic: COMMERCIAL MOTOR CARRIER ENFORCEMENT SAFETY LAWS

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

The bill changes the amount of civil penalties that may be levied on commercial motor carriers and authorizes the Department of Revenue to cancel or deny registration of a commercial motor carrier that fails to cooperate with the completion of a safety compliance review within 30 days. It increases state expenditures in FY 2023-24 only, and minimally impacts state and local revenue on an ongoing basis.

Appropriation Summary: For FY 2023-24, the bill requires and includes an appropriation of \$61,110 to the Department of Revenue.

Fiscal Note Status: The fiscal note reflects the enacted bill. The bill was recommended by the Transportation Legislation Review Committee.

**Table 1
State Fiscal Impacts Under SB 23-012**

		Budget Year FY 2023-24	Out Year FY 2024-25
Revenue		-	-
Expenditures	Cash Funds	\$61,110	-
Transfers		-	-
Other Budget Impacts		-	-

Summary of Legislation

The bill changes the amount of civil penalties that may be levied on commercial motor carriers for failure to comply with rules for the safe operation of commercial vehicles by tying the amount of civil penalties to the amount of federal civil penalties for interstate commercial motor carriers. When notified by the Colorado State Patrol that a commercial vehicle is out of compliance, the Department of Revenue (DOR) must enter the motor carrier and its vehicles as out-of-service in the Federal Motor Carrier Safety Administration system of record and cancel or deny the registration of a commercial motor carrier that fails to pay penalties or cooperate with the completion of a safety compliance review within 30 days.

State Revenue

Beginning in FY 2023-24, the bill may minimally increase revenue to the Colorado Department of Transportation (CDOT) and the Judicial Department. Under the bill, penalty revenue, which is subject to TABOR, may increase by a minimal amount; this revenue is deposited to the Highway Users Trust Fund (HUTF) and distributed to CDOT (65 percent), counties (26 percent), and municipalities (9 percent). Any court-related fees are distributed to various cash funds in the Judicial Department.

State Expenditures

In FY 2023-24 only, the bill increases state expenditures in the Department of Revenue (DOR) by \$61,110 from the DRIVES Vehicle Services Account.

Department of Revenue. The DOR will update the Driver License, Record, Identification, and Vehicle Enterprise Solutions (DRIVES) system to include reporting on all commercial carriers in order to implement the registration action required by the bill when a commercial carrier fails to complete a safety compliance review. The version of the Performance and Registration Information Systems Management (PRISM) program that the Division of Motor Vehicles uses currently is limited to reporting only on commercial carriers participating in an International Registration Plan. DRIVES programming is estimated at 232 hours for a cost of \$52,200 in FY 2023-24 only. Programming and testing within the innovation strategy and delivery team, which maintains the DRIVES system, will require an additional \$8,910, which is paid to the Office of Information Technology through real-time billing.

Because the bill is expected to generate a small number of enforcement actions overall, the DOR will manually cancel registrations as necessary, without additional programming.

Local Government

Similar to the state, the bill's penalty revenue may minimally increase revenue to local governments. Counties receive 26 percent and municipalities receive 9 percent of traffic penalty revenue credited to the HUTF.

Effective Date

The bill was signed into law by the Governor on May 12, 2023, and takes effect on April 31, 2024, except for Section 3 regarding state appropriations, which takes effect on August 7, 2023, assuming no referendum petition is filed.

State Appropriations

For FY 2023-24, the bill requires and includes an appropriation to the Department of Revenue of \$61,110 from the DRIVES Vehicle Services Account.

State and Local Government Contacts

Counties
Judicial
Revenue

District Attorneys
Municipalities
Sheriffs

Information Technology
Public Safety
Transportation