



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated March 1, 2024)

Drafting Number:	LLS 24-0469	Date:	April 12, 2024
Prime Sponsors:	Rep. Vigil; Woodrow Sen. Priola; Hinrichsen	Bill Status:	House Second Reading
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Bill Topic: MINIMUM PARKING REQUIREMENTS

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

The bill creates rules concerning minimum parking requirements for cities and counties in metropolitan planning organizations, and requires a study on parking space usage conducted by the Department of Transportation. It increases state and local expenditures on an ongoing basis.

Appropriation Summary: No appropriation is required. The State Highway Fund is continuously appropriated to the Department of Transportation.

Fiscal Note Status: The revised fiscal note reflects the introduced bill, as amended by the House Transportation, Housing, and Local Government Committee and the House Appropriations Committee.

**Table 1
State Fiscal Impacts Under HB 24-1304**

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-
Expenditures	State Highway Fund	\$500,000	-
Transfers		-	-
Other Budget Impacts		-	-

Summary of Legislation

The bill creates various rules and requirements concerning minimum parking requirements for local governments that are members of a metropolitan planning organization.

Prohibition of minimum parking requirements. On or after January 1, 2025, the bill prohibits affected local governments from enforcing minimum parking requirements. The prohibition does not apply to protections for individuals with disabilities; maximum parking requirements; minimum parking for bicycles; funding for affordable housing that requires a ratio of a certain number of parking spaces; or parking spaces voluntarily provided in connection with a land use approval, with certain conditions.

Reporting requirements. On or before December 31, 2025, the bill requires local governments to submit a report to the Department of Local Affairs (DOLA) demonstrating the local government's compliance with the bill's requirements.

Parking supply and management materials. By December 31, 2024, the bill requires DOLA to coordinate with the Department of Transportation (CDOT) and the Colorado Energy Office to develop and publish best practices and technical assistance materials on optimal parking supply and management. The materials should include sample language to replace existing parking minimum requirements with other incentives to support affordable housing, and transportation demand management, and other planning goals.

Parking use and needs study. The bill requires CDOT to conduct or contract for a study, on or before December 31, 2025, on local parking maximums, parking management, and utilization and optimization of existing parking spaces. CDOT will report to relevant legislative committees upon completion of the study.

Background

Metropolitan Planning Organizations. A metropolitan planning organization (MPO) is a federally mandated policy board that facilitates the metropolitan transportation planning process in urbanized areas with a population over 50,000. Colorado has five MPOs: the Denver Regional Council of Governments, the North Front Range MPO, the Pikes Peak Area Council of Governments, the Pueblo Area Council of Governments, and the Grand Valley Metropolitan Council.

State Highway Fund. CDOT is primarily funded from the State Highway Fund (SHF), which is comprised of federal funds, the state's share of the Highway Users Tax Fund, and other various sources of revenue. The decision-making authority for the majority of state transportation revenue rests with the Transportation Commission, which is responsible for allocating funds from the SHF.

State Expenditures

The bill increases state cash fund expenditures in CDOT by \$500,000 in FY 2024-25, and also creates new workload requirements, primarily in DOLA.

Department of Transportation. Similar parking studies conducted by CDOT in the past typically cost around \$100,000 for a single, medium sized municipality. Given the scale of the parking study required in this bill, CDOT requires \$500,000 in FY 2024-25 to contract with a vendor to conduct the parking usage and needs study for municipalities and counties within the state's MPOs. The fiscal note assumes this expenditure will be paid from the SHF. Funding from the SHF is allocated by the Transportation Commission, which will adjust spending to accommodate the increase in CDOT expenditures under this bill. See Technical Note.

Department of Local Affairs. The bill creates new requirements for DOLA that increase workload starting in FY 2024-25. The bill increases workload in DOLA to develop and publish best practices and technical assistance materials for local governments, in collaboration with CDOT and the Colorado Energy Office by December 31, 2024. The bill also increases workload for DOLA to determine a procedure for local governments to submit the reports, and DOLA resources will be used to host the reports. No change in appropriations is required.

Local Government

The bill increases local government workload in the state's five MPOs by requiring local governments to submit new reports every three years and modify or update codes to comply with the bill's requirements. Some local governments without sufficient staff may need to hire consultants to assist in these duties. In addition, workload may increase for local governments to assist the CDOT with its study on MPO parking supply and management.

Technical Note

The SHF supports the department's core mission of constructing and maintaining state highways and other modes of transportation. Because this bill relates to land use, the General Assembly may consider funding the study with General Fund so that the SHF is preserved for mission relevant activities.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Counties	Judicial	Local Affairs	Transportation
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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).