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HB 20-1030

**FINAL
FISCAL NOTE**

Drafting Number: LLS 20-0351
Prime Sponsors: Rep. Valdez D.; Gray
Sen. Scott; Hisey

Date: April 30, 2020
Bill Status: Signed into Law
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Bill Topic: **COMMERCIAL VEHICLE ANNUAL FLEET OVERWEIGHT PERMITS**

**Summary of
Fiscal Impact:**

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill creates a combined non-interstate overweight divisible load annual permit for commercial motor vehicle fleets. The bill decreases state revenue beginning in FY 2020-21 and minimally increases state expenditures for FY 2020-21 only.

**Appropriation
Summary:** No appropriation is required.

**Fiscal Note
Status:** The fiscal note reflects the enacted bill.

**Table 1
State Fiscal Impacts Under HB 20-1030**

		FY 2020-21	FY 2021-22
Revenue	State Highway Fund	(\$20,000)	(\$20,000)
Expenditure		-	-
Transfer		-	-
TABOR Refund		-	-

Summary of Legislation

Under current law, commercial motor vehicle fleet owners can apply to the Colorado Department of Transportation (CDOT) for two separate annual non-interstate overweight divisible load permits: quad axle and two or three axle trailer. The bill combines the two permits and creates one annual fleet permit for non-interstate overweight divisible load quad axles and two or three axle trailers. The fee is \$2,000 plus \$35 per vehicle permitted.

Background

CDOT is responsible for regulating the movement of oversize and overweight vehicles on the state's highways and interstates. It accomplishes this by issuing permits and providing route guidelines for commercial vehicles that exceed the normal size and weight limits allowed by law. Federal and state limit on interstate highways is 80,000 pounds combined gross vehicle weight (CGVW). State limit on non-interstate highways is 85,000 pounds CGVW. Revenue generated through the permitting process is credited to CDOT's construction and maintenance budget.

The current fee for both the annual fleet non-interstate overweight divisible load quad axle permit and the annual fleet two or three axle trailer permit is \$2,000 plus \$35 per vehicle permitted. In FY 2018-19, CDOT issued 160 quad axle permits and 40 two or three axle trailer permits.

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.

Assumptions

This fiscal note assumes that 25 percent of commercial vehicle fleet owners that applied for the quad axle permit also applied for the two or three axle trailer permit, or 10 commercial vehicle fleet owners in FY 2020-21 and FY 2021-22. In addition, under the bill, commercial vehicle fleet owners will still pay the \$35 fee per vehicle, so it is assumed revenue from the \$35 fee will remain unchanged.

State Revenue

The bill will decrease revenue to the SHF by \$20,000 in FY 2020-21 and FY 2021-22. Commercial vehicle fleet owners who currently apply for two separate annual permits will pay \$2,000 less in fees annually due to the ability to apply for a combination permit.

State Expenditures

In FY 2020-21 only, the bill will minimally increase workload for CDOT to update procedures and information materials for the new combined permit. Funding from the SHF is allocated by the Transportation Commission, which will adjust any funds that result from an increase in CDOT workload.

Effective Date

The bill was signed into law by the Governor on March 20, 2020, and takes effect July 1, 2020.

State and Local Government Contacts

Public Safety Transportation