



**Colorado
Legislative
Council
Staff**

SB16-122

**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 8, 2016)

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0901 **Date:** March 15, 2016
Prime Sponsor(s): Sen. Baumgardner **Bill Status:** House Transportation and Energy
 Rep. Nordberg; Brown **Fiscal Analyst:** Erin Reynolds (303-866-4146)

BILL TOPIC: MORE OVERSIGHT OF DEPARTMENT OF TRANSPORTATION

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	Workload and cost increases.	
Appropriation Required: None.		
Future Year Impacts: Ongoing workload and cost increases.		

Summary of Legislation

The **reengrossed** bill requires the Colorado Department of Transportation (CDOT) to:

- undergo a risk-based performance audit conducted by the Office of the State Auditor;
- close transportation projects and release money budgeted for such projects within one year or sooner, with certain exceptions;
- report on its public website information related to competitively bid contracts within two weeks of contract awards, including winning bidder, winning bid amount, and whether the bid was the lowest, and, if not, why a higher bid was chosen;
- report annually to the Transportation Commission percentages and total amounts of money budgeted and expended for payments to private sector contractors and total transportation project costs for those completed by CDOT employees, including indirect cost recoveries and employee salaries; and
- report annually to the Transportation Legislation Review Committee (TLRC) the rationale behind any and all amendments to the statewide transportation improvement plan.

State Expenditures

The bill will increase workload in the Office of the State Auditor (OSA) and workload and costs in CDOT. These workload impacts are discussed in detail below.

Office of the State Auditor. The bill will result in a minimal workload increase in the OSA to conduct a risk-based performance audit. The OSA will have additional work compared with audits that would have been conducted under current law. No change in appropriations is required under the bill.

Colorado Department of Transportation. CDOT will have the following workload and cost increases, which are expected to be accomplished within existing appropriations.

Audit requirement. A risk-based performance audit on the entirety of CDOT will increase workload in all levels of CDOT to provide information to the OSA. Additional temporary staff may be brought on to help with the information gathering process.

Budgeting and reporting requirements. Most of the budgeting and reporting requirements in the bill are current CDOT policy. CDOT may have a minimal workload impact for disclosing bid rationale on its website. The requirement that CDOT report to the TLRC on the rationale behind any and all amendments to the statewide transportation improvement plan will increase workload in each of the eight regional planning offices and may require the services of a paid consultant to compile the annual report.

Effective Date

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

State and Local Government Contacts

State Auditor

Transportation