



Legislative
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HB 18-1401

**FINAL
FISCAL NOTE**

Drafting Number: LLS 18-1224
Prime Sponsors: Rep. Winter; Jackson

Date: June 20, 2018
Bill Status: Postponed Indefinitely
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Bill Topic: RTD LOW-INCOME FARE PROGRAM

**Summary of
Fiscal Impact:**

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

This bill directs the Colorado Department of Transportation to support the implementation of programs to offer reduced fares for low-income transit riders. The bill includes an \$80,000 appropriation for this purpose. It creates a one-time state and local government expenditure increase.

**Appropriation
Summary:**

For FY 2018-19, the bill includes an appropriation of \$80,000 to the Colorado Department of Transportation.

**Fiscal Note
Status:**

The fiscal note reflects the introduced bill, as amended by the House Transportation Committee. This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

**Table 1
State Fiscal Impacts Under HB 18-1401**

		FY 2018-19	FY 2019-20
Revenue		-	-
Expenditures	General Fund	\$80,000	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

This bill directs the Division of Transit and Rail in the Colorado Department of Transportation (CDOT) to provide support for the implementation of programs offering reduced fare for low-income transit riders through offsetting fares. The bill appropriates \$80,000 from the General Fund for this purpose. Further, the bill provides authorization for RTD to create a reduced fare program.

Background

RTD currently provides discounted fares for:

- seniors over the age of 65;
- individuals with disabilities;
- Medicare recipients;
- elementary, middle, and high school students;
- children 5 years or younger with a fare-paying adult; and
- active duty service members.

A 25-member working group recently completed an evaluation of RTD's pass programs and drafted recommendations. The Fare Pass Working Group's recommendations include adding a low-income pass, which would discount fares by 40 percent for riders who have incomes at or below 185 percent of the Federal Poverty Level (FPL); and a youth pass, which would discount the fare for riders who are 13 to 19 years old by 70 percent.

The implementation of any recommendations made by the working group will require approval from RTD's Board of Directors. The board is expected to take up the matter later this year, with any fare discounts occurring no earlier than 2019.

State Expenditures

Beginning FY 2018-19, this bill will increase state General Fund expenditures in CDOT to provide support to transit agencies that implement programs offering reduced fares for low-income transit riders. It is assumed that the \$80,000 appropriation included in the bill will be used by CDOT to provide grants to RTD and other transit agencies for this purpose. As this will be conducted within the department's existing framework for distributing grants, it is assumed that any increase in workload can be accomplished within existing appropriations.

Local Government

This bill will increase revenue to transit agencies that receive a grant from CDOT to implement a low-income fare program. Any increase in revenue will vary depending on the grant distributed; specific impacts to transit agencies have not been estimated.

Effective Date

The bill was postponed indefinitely by the House Appropriations Committee on April 30, 2018.

State Appropriations

For FY 2018-19, this bill includes an appropriation of \$80,000 from the General Fund to the Colorado Department of Transportation.

State and Local Government Contacts

Counties
Municipalities
Transportation

Information Technology
Regional Transportation District