



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

HB 20-1170

**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 5, 2020)

Drafting Number: LLS 20-0216
Prime Sponsors: Rep. Humphrey
Sen. Marble

Date: March 20, 2020
Bill Status: Senate Transportation
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Bill Topic: **MILITARY AND SURPLUS MILITARY VEHICLES ON ROADWAYS**

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

This bill allows historical motor vehicles to be titled and registered as motor vehicles for specific purposes, and allows surplus military vehicles to be driven on roadways. The bill will increase state and local revenue beginning in FY 2020-21 and increase state expenditures in FY 2020-21 only.

Appropriation Summary: In FY 2020-21 only, the bill requires an appropriation of \$4,950 to the Department of Revenue.

Fiscal Note Status: This revised fiscal note reflects the reengrossed bill.

**Table 1
State Fiscal Impacts Under HB 20-1170**

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	Cash Funds	\$4,950	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill allows a historical military vehicle to be driven on highways for the following purposes:

- to and from assemblies, conventions, or other meetings where historical military vehicles are the primary interest;
- for special occasions, such as demonstrations and parades;
- on occasions where the operation of the vehicle will not constitute a traffic hazard; and
- for tours held primarily for the exhibition and enjoyment of historical military vehicles.

Utilizing a historical military vehicle for purposes other than those described above is a class B traffic infraction, and the Department of Revenue may cancel a vehicle's registration for committing this infraction.

Individuals that utilize a historical military vehicle for purposes not described above
A historical military vehicle may be titled and registered as a motor vehicle if the owner signs an affidavit stating that the vehicle will only be used for the purposes described above, and meets all other requirements for registration laid out in the bill. Additionally, historical military vehicles are exempt from most emissions testing requirements.

A historical military vehicle is defined as a vehicle that:

- is valued for its historical purposes;
- was manufactured for use by any nation's armed forces;
- is a model year of 1980 or earlier; and
- is maintained in a condition representing its military design and historically appropriate markings.

Additionally, the bill allows surplus military vehicles, defined as self-propelled vehicles purchased for nonmilitary use and built for the United States Armed Forces, to be driven on roadways.

Background

Under current law, a surplus military vehicle is considered an off-highway vehicle. Owners may request an Off-Highway Vehicle Colorado Certificate of Title, but the vehicle may not be registered for on-road use by the Department of Revenue.

There are currently 1,399 surplus military vehicles titled in Colorado; however, under current law, military vehicles are not required to be titled, so the exact number in Colorado is unknown.

Comparable Crime Analysis

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or changes an element of an existing crime. This section outlines data on crimes comparable to the offense in this bill and discusses assumptions on future rates of criminal conviction for those offense.

Prior conviction data and assumptions. This bill creates the new offense of unauthorized use of a registered historical military vehicle, a class B traffic infraction. To form an estimate on the prevalence of this new crime, the fiscal note analyzed the existing offense unauthorized use of a motor vehicle on a highway without registration as a comparable crime. From 2017 to 2019, 2,783 offenders have been sentenced and convicted for this existing offense. However, due to the relatively low number of vehicles subject to the crime, the fiscal note assumes that there will be minimal convictions for the new offense under the bill. Because the bill is not expected to have a tangible impact on criminal justice-related expenditures or revenue at the state or local levels, these potential impacts are not discussed further in this fiscal note.

Visit leg.colorado.gov/fiscalnotes for more information about criminal justice costs in fiscal notes.

State Revenue

The bill will increase state revenue by an indeterminate amount to various cash funds in the Department of Revenue beginning in FY 2020-21 as individuals apply for certificates of title and registrations for historical military vehicles. Cash funds include the Highway Users Tax Fund (HUTF), the Licensing Services Cash Fund, and the License Plate Cash Fund, among others. Of the standard HUTF revenue generated under this bill, 65 percent is credited to the State Highway Fund for expenditures by the Department of Transportation, 26 percent is credited to counties, and 9 percent is credited to municipalities.

State Expenditures

In FY 2020-21 only, the bill increases state expenditures by \$4,950 from the DRIVES Vehicles Services Account in the Department of Revenue (DOR). One-time programming costs are required to update the DRIVES system to allow for the titling and registration of historical motor vehicles. Programming costs assume 22 hours at a rate of \$225 per hour.

Local Government

The bill increases HUTF revenue, of which 26 percent is distributed to counties and 9 percent is distributed to municipalities. There are also a number of fees paid when registering a vehicle that go directly to local governments, such as the clerk hire fee and the county road and bridge fee. Because registration fees are assessed in a unique way depending on vehicle characteristics, exact amounts have not been estimated.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

State Appropriations

In FY 2020-21 only, the bill requires an appropriation of \$4,950 from the DRIVES Vehicle Services Account to the Department of Revenue.

State and Local Government Contacts

Counties
Municipalities
Transportation

County Clerks
Public Safety

Information Technology
Revenue