

**STATE
FISCAL IMPACT**

Drafting Number: LLS 14-0230 **Date:** February 10, 2014
Prime Sponsor(s): Rep. Mitsch Bush; Coram **Bill Status:** House Transportation and Energy
 Sen. Todd **Fiscal Analyst:** Kelli Kelty (303-866-3518)

SHORT TITLE: DIVISIBLE LOAD OVERWEIGHT VEHICLE PERMITS

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue	(\$149,940)	(\$299,880)
Cash Funds	(\$149,940)	(\$299,880)
State Expenditures		
Federal Funds	See State Expenditures section	
FTE Position Change		
Appropriation Required: None.		

* Parentheses indicate a decrease in funds.

Summary of Legislation

This bill, **recommended by the Transportation Legislation Review Committee**, exempts waste water vehicles operated by a city, county, municipality, or special district from wheel and axle load restrictions. In addition, beginning January 1, 2015, the bill authorizes an annual fleet permit fee of \$2,000 plus \$35 per vehicle for overweight vehicles with two- or three-axle divisible loads.

State Revenue

Overall, the bill is expected to decrease cash fund revenue from fees by \$149,940 in FY 2014-15 and \$299,880 every year thereafter. These impacts are shown in Table 1 and described in greater detail below. Revenue from the fees is credited to the State Highway Fund.

Under current law, certain vehicle combinations with divisible loads exceeding legal weight limits require a permit to travel on state highways. The current fee is \$500 per vehicle per year, or \$250 per vehicle for a six-month permit. This bill establishes an annual fee of \$2,000 per fleet plus \$35 per vehicle in the fleet, which is expected to affect an estimated 90 fleets, including 1,280 vehicles. Of these, 66 fleets, including 784 vehicles, currently operate under an annual permit, while the remaining 24 fleets, including 496 vehicles, currently operate under six-month permits. Other vehicles are expected to continue operating under the existing permits.

Table 1. Fee Impact on Individuals or Businesses Operating Certain Two or Three-Axle Vehicles						
Type of Fee	Current Fee	Proposed Fee	Fee Change	Number Affected	Total Impact FY 2014-15	Total Impact FY 2015-16 and beyond
Vehicles Currently Permitted on an Annual Basis						
Annual Permit Fee per Vehicle	\$500	\$0*	(\$500)	784	(\$196,000)	(392,000)
Annual Permit Fee per Fleet	\$0	\$2,000 + \$35/vehicle	\$2,000 + \$35/vehicle	66	\$79,720	159,440
Vehicles Currently Permitted on a Semi-Annual Basis						
Six-month Permit Fee per Vehicle	\$250	\$0*	(\$250)	496	(\$62,000)	(124,000)
Annual Permit Fee per Fleet	\$0	\$2,000 + \$35/vehicle	\$2,000 + \$35/vehicle	24	\$28,340	\$56,680
TOTAL					(\$149,940)	(\$299,880)

* Although shown as \$0 in the table, the current fee remains in place for companies that do not operate fleets or do not transport enough overweight loads to justify the fleet permit fee.

State Expenditures

Passage of the bill as currently drafted applies to both secondary highways and interstate highways. Failure to adequately enforce federal laws concerning axle weight exemptions on interstate highways could affect the state's share of federal transportation funding and result in a 10 percent reduction, or approximately \$50 million, in federal-aid funds apportioned to the state for the next fiscal year.

Effective Date

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Transportation

Revenue

Cities and Counties