Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated February 8, 2022)

Drafting Number:	LLS 22-0440	**Date:**	March 16, 2022
Prime Sponsors:	Rep. Exum; Van Winkle	**Bill Status:**	House Appropriations
	Sen. Buckner; Hisey	**Fiscal Analyst:**	Will Clark | 303-866-4720
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Bill Topic:	**TEEN PARENT DRIVING INSTRUCTION COURSE**

Summary of Fiscal Impact:	☒ State Revenue	☒ TABOR Refund
	☒ State Expenditure	☐ Local Government
	☐ State Transfer	☐ Statutory Public Entity
	The bill creates a program to provide financial assistance to teen parents for attending driving school and obtaining a driver license or permit. The bill increases state expenditures in FY 2022-23, and may increase state revenue on an ongoing basis.	

Appropriation Summary:	For FY 2022-23, the bill requires an appropriation of $100,000 to the Department of Human Services.

Fiscal Note Status:	This revised fiscal note reflects the introduced bill, as amended by the House Transportation and Local Government Committee.

Table 1
State Fiscal Impacts Under HB 22-1042

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	General Fund	$100,000	-
Transfers		-	-
Other Budget Impacts	General Fund Reserve	$15,000	-

Summary of Legislation

The bill creates the Colorado Teen Parent Driver's License Program in the Department of Human Services (DHS) to provide financial assistance to teen parents for attending driving school and acquiring a driver license or permit. The bill allocates $100,000 to the program for FY 2022-23, and allows the General Assembly to appropriate additional funding in out years at its discretion. The DHS must select teen parent organizations to serve eligible program participants after reviewing cost distribution proposals, and may use up to 7.5 percent of program funds for administration.

The DHS must submit a preliminary report to the General Assembly for FY 2022-23, and report on the program at its annual SMART Act hearing starting in FY 2023-24. This reporting must include the number of teen organizations working with the program, their location and the counties they serve, the amount of money awarded to each organization, and the number of individuals who received a driver license or attended driving school with the support of the program.

State Revenue

To the extent that the bill increases the number of minor driver licenses and permits issued, revenue to the Licensing Services Cash Fund will increase starting in FY 2023-24; this revenue is subject to TABOR. Currently, the fee for an instruction permit is $18.52 and the fee for a driver license is $30.87. The fiscal note assumes any increase in fee revenue will be minimal.

State Expenditures

The bill increases state expenditures in the DHS by $100,000 in FY 2022-23 from the General Fund to administer the Colorado Teen Parent Driver's License Program. This includes funding to teen parents for driving school courses and obtaining a driver license or permit, as well as up to $7,500 for program administration costs. Workload will also minimally increase for the DHS to develop program rules and annually report results to the General Assembly. This workload can be accomplished within existing appropriations.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by $15,000 in FY 2022-23, which will decrease the amount of General Fund available for other purposes.

Effective Date

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

HB 22-1042

State Appropriations

For FY 2022-23, the bill requires a General Fund appropriation of $100,000 to the Department of Human Services.

State and Local Government Contacts

Counties	Human Services	Information Technology
Law	Revenue	Transportation