

Drafting Number: LLS 12-0441 **Date:** May 30, 2012 **Prime Sponsor(s):** Rep. Williams A. **Bill Status:** Signed into Law

Sen. Guzman; White **Fiscal Analyst:** Kori Donaldson (303-866-4976)

TITLE:

CONCERNING AUTHORIZATION FOR REIMBURSEMENT FOR UP TO FIFTY THOUSAND DOLLARS OF ACTUAL, REASONABLE, AND NECESSARY BUSINESS REESTABLISHMENT EXPENSES TO BE PAID BY A STATE AGENCY IN CONNECTION WITH THE REESTABLISHMENT OF AN OPERATION DISPLACED BY A DEPARTMENT OF TRANSPORTATION PROJECT OR A PROJECT WITH DEPARTMENT OF TRANSPORTATION OVERSIGHT.

Fiscal Impact Summary

State Revenue

State Expenditures
Cash Funds
State Highway Fund

State Highway Fund

State Open State Highway Fund

Effective Date: The bill was signed into law by the Governor and took effect May 3, 2012.

Appropriation Summary for FY 2012-2013: None required.

Local Government Impact: See Local Government Impact section.

Summary of Legislation

This bill increases the amount of actual reasonable expenses the Colorado Department of Transportation (CDOT) can pay to reestablish a farm, nonprofit organization, or small business that has been displaced by a highway program or project funded through the Federal Highway Administration from \$10,000 to \$50,000.

Background

Current law provides that whenever a farm, nonprofit organization, or small business is displaced by the acquisition of real property by a public entity, including a political subdivision of the state, the public entity must pay the actual reasonable expenses up to \$10,000 necessary to reestablish the farm, non-profit organization, or small business at its new site according to criteria established by CDOT. This bill only changes the \$10,000 threshold in existing law for CDOT projects or projects with CDOT oversight funded through the Federal Highway Administration.

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State Expenditures

This bill is expected to increase state expenditures from the State Highway Fund by up to \$40,000 per claim x 5 claims = less than \$200,000 in FY 2012-13 and future years. CDOT processes an average of five relocation claims per year.

Departments Contacted

All Departments