

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 18-0416.02 Jason Gelender x4330

SENATE BILL 18-001

SENATE SPONSORSHIP

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HOUSE SPONSORSHIP

Buck, Leonard

Senate Committees

Transportation
Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING TRANSPORTATION INFRASTRUCTURE FUNDING,**
102 **AND, IN CONNECTION THEREWITH, REQUIRING SPECIFIED**
103 **AMOUNTS OF GENERAL FUND MONEY TO BE TRANSFERRED TO**
104 **THE STATE HIGHWAY FUND DURING STATE FISCAL YEAR 2018-19**
105 **FOR THE PURPOSE OF FUNDING NEW HIGHWAY CONSTRUCTION**
106 **PROJECTS AND ANNUALLY DURING STATE FISCAL YEARS 2019-20**
107 **THROUGH 2038-39 FOR THE PURPOSES OF MAINTAINING THE**
108 **STATE HIGHWAY SYSTEM AND REPAYING ANY TRANSPORTATION**
109 **REVENUE ANTICIPATION NOTES THAT MAY BE ISSUED AS**
110 **SPECIFIED IN THE BILL AND, IF NO CITIZEN-INITIATED BALLOT**
111 **MEASURE THAT REQUIRES THE STATE TO ISSUE**
112 **TRANSPORTATION REVENUE ANTICIPATION NOTES IS APPROVED**
113 **BY THE VOTERS OF THE STATE AT THE NOVEMBER 2018**

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
Amended 3rd Reading
March 28, 2018

SENATE
Amended 2nd Reading
March 21, 2018

101 GENERAL ELECTION, REQUIRING THE SECRETARY OF STATE TO
102 SUBMIT A BALLOT QUESTION TO THE VOTERS OF THE STATE AT
103 THE NOVEMBER 2019 STATEWIDE ELECTION, WHICH, IF
104 APPROVED, WOULD REQUIRE THE STATE, WITH NO INCREASE IN
105 ANY TAXES OR FEES, TO ISSUE ADDITIONAL TRANSPORTATION
106 REVENUE ANTICIPATION NOTES FOR THE PURPOSE OF
107 ADDRESSING CRITICAL PRIORITY TRANSPORTATION NEEDS IN
108 THE STATE BY FUNDING TRANSPORTATION PROJECTS; WOULD
109 EXCLUDE NOTE PROCEEDS AND INVESTMENT EARNINGS ON NOTE
110 PROCEEDS FROM STATE FISCAL YEAR SPENDING LIMITS; AND
111 WOULD REDUCE THE AMOUNT OF LEASE-PURCHASE
112 AGREEMENTS REQUIRED BY CURRENT LAW TO BE ISSUED FOR
113 THE PURPOSE OF FUNDING TRANSPORTATION PROJECTS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

In 1999, the voters of the state authorized the executive director of the department of transportation (executive director) to issue transportation revenue anticipation notes (TRANs) in a maximum principal amount of \$1.7 billion and with a maximum repayment cost of \$2.3 billion in order to provide financing to accelerate the construction of qualified federal aid transportation projects. The executive director issued the TRANs as authorized, and the TRANs have been fully repaid.

Section 8 of the bill requires the transportation commission (commission) to submit a ballot question to the voters of the state at the November 2018 statewide election, which, if approved:

- ! Would authorize the executive director to issue additional TRANs in a maximum principal amount of \$3.5 billion and with a maximum repayment cost of \$5 billion; and
- ! Would, in conjunction with **sections 3, 4, and 7**, repeal current law, enacted by Senate Bill 17-267, that requires the state treasurer to execute lease-purchase agreements of up to \$1.88 billion for the purpose of funding high-priority qualified federal aid transportation projects.

The additional TRANs must have a maximum repayment term of 20 years, and the certificate, trust indenture, or other instrument authorizing their issuance must provide that the state may pay them in full before the end of the specified payment term without penalty. Additional TRANs must otherwise generally be issued subject to the same requirements and for the same purposes as the original TRANs; except that the commission must pledge to annually allocate from legally available money under its control any money needed for payment of the notes until the notes are fully repaid. **Section 9** requires TRANs proceeds not otherwise pledged for TRANs payments to be credited to the state highway fund.

On and after July 1, 2018, **section 5** requires 10% of state sales and use tax net revenue to be credited to the state highway fund and used first to make TRANs payments. **Section 6** specifies that state sales and use tax net revenue credited to the state highway fund that is not expended to make TRANs payments and TRANs net proceeds credited to the state highway fund must be used only for qualified federal aid transportation projects that are included in the strategic transportation project investment program of the department of transportation (CDOT) and designated for tier 1 funding as 10-year development program projects on CDOT's development program project list. At least 25% of the TRANs net proceeds must be used for projects in counties with populations of 50,000 or less and at least 10% of the TRANs net proceeds must be used for transit purposes or transit-related capital improvements. **Section 7** requires CDOT to include specified information about the state sales and use tax net revenue and TRANs net proceeds in its annual report to the senate transportation committee and the house transportation and energy committee.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Short title.** The short title of this act is the "Fix
3 Colorado Roads Act".

4 **SECTION 2. Legislative declaration.** (1) The general assembly
5 hereby finds and declares that:

6 (a) Colorado's population is expected to increase to over six
7 million nine hundred thousand by 2030;

8 (b) Population growth has significantly increased traffic and
9 congestion and will continue to do so in the future, causing longer travel

1 times, increasing air pollution, decreasing Coloradans' access to
2 recreational opportunities, and accelerating the deterioration of
3 Colorado's transportation infrastructure;

4 (c) The growth of the economy of the state has prompted new and
5 ever-increasing uses of public highways, roads, and other transportation
6 infrastructure, and the existing transportation infrastructure of the state
7 cannot accommodate such greatly increased uses;

8 (d) In order to preserve and improve Colorado's economic
9 prosperity and quality of life, it is necessary to develop and maintain a
10 modern, efficient, and cost-effective multimodal transportation system
11 that can move people, goods, and information without undue delays or
12 environmental consequences;

13 (e) One of the major concerns of the citizens of the state is the
14 ability of the state and local governments to address the long-term
15 transportation infrastructure needs of the state that are critical to the
16 continued growth of the state's economy and the maintenance of citizens'
17 quality of life;

18 (f) The state has significantly decreased its contribution of general
19 state revenue available in recent years to fund critical priority
20 transportation infrastructure needs, and current transportation funding
21 mechanisms do not provide adequate revenue to keep pace with the
22 increasing demands on transportation infrastructure statewide;

23 (g) State and regional economically significant transportation
24 corridors, and their related congestion relief projects, remain unfunded or
25 underfunded while construction costs escalate and congestion worsens;

26 (h) In 1999, the general assembly and the voters of the state
27 approved Referendum A, which authorized the state to issue

1 transportation revenue anticipation notes to accelerate the funding and
2 completion of twenty-eight strategic transportation projects in significant
3 corridors, including the T-REX project, the highly successful expansion
4 and congestion mitigation project for the Interstate 25 corridor in the
5 Denver metropolitan area;

6 (i) The success of the 1999 transportation revenue anticipation
7 notes program shows that leveraging existing revenue is a prudent and
8 cost-effective means to accelerate and deliver large-scale and
9 economically significant transportation projects throughout the state;

10 (j) In 2017, the general assembly enacted Senate Bill 17-267,
11 which:

12 (I) Requires the state to enter into lease-purchase agreements for
13 state facilities in the amount of three hundred eighty million dollars
14 during the 2018-19 state fiscal year and five hundred million dollars
15 during each of the 2019-20, 2020-21, and 2021-22 state fiscal years in
16 order to accelerate the funding of high-priority transportation projects
17 throughout the state; and

18 (II) Significantly increases the amount of money that the state may
19 retain and spend under its fiscal year spending limit;

20 (k) While the lease-purchase agreements required by Senate Bill
21 17-267 will provide some increased funding for transportation, such
22 agreements leverage state capital assets, rather than state revenue, and, to
23 the extent currently authorized, provide less total funding than
24 transportation revenue anticipation notes can;

25 (l) If the state enters into all of the lease-purchase agreements
26 required by Senate Bill 17-267, the state will be required to spend
27 approximately one hundred fifty million dollars per year, including one

1 hundred million dollars per year from the state general fund and fifty
2 million dollars per year from money under the control of the
3 transportation commission, to repay the lease-purchase agreements:

4 (m) It is necessary, in order to avoid delaying critical
5 transportation projects that are expected to be funded in part with
6 proceeds of lease-purchase agreements to be issued during the 2018-19
7 state fiscal year, for the state to enter into lease-purchase agreements as
8 required by Senate Bill 17-267 during the 2018-19 state fiscal year:

9 (n) It is also necessary, appropriate, and in the best interest of the
10 state to:

11 (I) Repeal the requirement that the state enter into additional
12 lease-purchase agreements during the 2019-20, 2020-21, and 2021-22
13 state fiscal years:

14 (II) If required statewide voter approval can be obtained either at
15 the November 2018 general election for a citizen-initiated ballot measure
16 that authorizes the state to issue transportation revenue notes or at the
17 November 2019 statewide election for a ballot issue submitted by the
18 state that authorizes the state to issue transportation revenue anticipation
19 notes as specified in this act, use transportation revenue anticipation notes
20 instead of lease-purchase agreements to finance federal aid transportation
21 projects because doing so will generate a larger amount of up-front
22 revenue for the projects and will enable the state to design and construct
23 the projects more efficiently; and

24 (III) Use the money that will no longer be needed to repay
25 lease-purchase agreements, as well as a portion of the additional general
26 fund money that the state may retain and spend under its fiscal year
27 spending limit due to the enactment of Senate Bill 17-267, to repay the

1 transportation revenue anticipation notes and provide additional funding
2 for maintenance of the state highway system; and

3 (o) The issuance of new transportation revenue anticipation notes
4 in lieu of the execution of lease-purchase agreements will accelerate the
5 funding and efficient completion of a greater number of specific and
6 designated projects throughout the state that the Colorado department of
7 transportation and the transportation planning regions of the state have
8 determined to be of highest priority and economically significant to the
9 state and the regions in which they will be built.

10 (2) The general assembly further finds and declares that:

11 (a) This act does not increase taxes or fees or refer a ballot issue
12 to the voters of the state seeking their approval to raise taxes or fees;

13 (b) Private citizens have proposed ballot measures by initiative,
14 one or more of which may be placed on the ballot for the November 2018
15 general election, which, if approved by the voters of the state, will
16 authorize the state to issue transportation revenue anticipation notes to
17 provide additional funding for transportation infrastructure projects; and

18 (c) If such a citizen-initiated ballot measure is not placed on the
19 ballot for the November 2018 general election or if the voters reject every
20 such ballot measure that is placed on that ballot, it is necessary and
21 appropriate for the state to refer a ballot issue that authorizes the state to
22 issue transportation revenue anticipation notes to the voters of the state
23 at the November 2019 statewide election as specified in this act.

24 **SECTION 3.** In Colorado Revised Statutes, 24-75-219, add
25 (1)(g) and (5) as follows:

26 **24-75-219. Transfers - transportation - capital construction -**
27 **definitions - repeal.** (1) As used in this section, unless the context

1 otherwise requires:

2 (g) "STATE HIGHWAY FUND" MEANS THE STATE HIGHWAY FUND
3 CREATED IN SECTION 43-1-219.

4 (5)(a) ON JUNE 30, 2019, THE STATE TREASURER SHALL TRANSFER
5 FIVE HUNDRED MILLION DOLLARS FROM THE GENERAL FUND TO THE STATE
6 HIGHWAY FUND FOR EXPENDITURE IN ACCORDANCE WITH SECTION
7 43-1-220.5.

8 (b) ON JUNE 30, 2020, AND ON EACH SUCCEEDING JUNE 30
9 THROUGH JUNE 30, 2039, THE STATE TREASURER SHALL TRANSFER TWO
10 HUNDRED FIFTY MILLION DOLLARS FROM THE GENERAL FUND TO THE
11 STATE HIGHWAY FUND FOR EXPENDITURE IN ACCORDANCE WITH SECTION
12 43-1-220.5.

13 == ==

14 **SECTION 4.** In Colorado Revised Statutes, 24-82-1303, **amend**
15 (2)(a), (2)(b), and (2)(d)(II); and **repeal** (1) as follows:

16 **24-82-1303. Lease-purchase agreements for capital**
17 **construction and transportation projects.** (1) ~~On or before December~~
18 ~~31, 2017, the state architect, the director of the office of state planning~~
19 ~~and budgeting or his or her designee, and the state institutions of higher~~
20 ~~education shall identify and prepare a collaborative list of eligible state~~
21 ~~facilities that can be collateralized as part of the lease-purchase~~
22 ~~agreements for capital construction and transportation projects authorized~~
23 ~~in this part 13. The total current replacement value of the identified~~
24 ~~buildings must equal at least two billion dollars.~~

25 (2) (a) Notwithstanding the provisions of sections 24-82-102
26 (1)(b) and 24-82-801, and pursuant to section 24-36-121, no sooner than
27 July 1, 2018, the state, acting by and through the state treasurer, shall

1 execute lease-purchase agreements, each for no more than twenty years
2 of annual payments, for the projects described in subsection (4) of this
3 section. The state shall execute the lease-purchase agreements ~~only in~~
4 accordance with the following schedule: DURING THE 2018-19 STATE
5 FISCAL YEAR IN AN AMOUNT UP TO FIVE HUNDRED MILLION DOLLARS.

6 ~~(I) During the 2018-19 state fiscal year, the state shall execute~~
7 ~~lease-purchase agreements in an amount up to five hundred million~~
8 ~~dollars;~~

9 ~~(II) During the 2019-20 state fiscal year, the state shall execute~~
10 ~~lease-purchase agreements in an amount up to five hundred million~~
11 ~~dollars;~~

12 ~~(III) During the 2020-21 state fiscal year, the state shall execute~~
13 ~~lease-purchase agreements in an amount up to five hundred million~~
14 ~~dollars; and~~

15 ~~(IV) During the 2021-22 fiscal year, the state shall execute~~
16 ~~lease-purchase agreements in an amount up to five hundred million~~
17 ~~dollars.~~

18 (b) The anticipated annual state-funded payments for the principal
19 and interest components of the amount payable under all lease-purchase
20 agreements entered into pursuant to subsection (2)(a) of this section shall
21 not exceed ~~one hundred fifty~~ THIRTY-SEVEN million FIVE HUNDRED
22 THOUSAND dollars.

23 (d) Any lease-purchase agreement executed as required by
24 subsection (2)(a) of this section shall provide that all of the obligations of
25 the state under the agreement are subject to the action of the general
26 assembly in annually making money available for all payments
27 thereunder. Payments under any lease-purchase agreement must be made,

1 subject to annual allocation pursuant to section 43-1-113 by the
2 transportation commission created in section 43-1-106 (1) or subject to
3 annual appropriation by the general assembly, as applicable, from the
4 following sources of money:

5 (II) Next, fifty TEN million ONE HUNDRED THOUSAND dollars
6 annually, or any lesser amount that is sufficient to make each full payment
7 due, shall be paid from any legally available money under the control of
8 the transportation commission solely for the purpose of allowing the
9 construction, supervision, and maintenance of state highways to be
10 funded with the proceeds of lease-purchase agreements as specified in
11 subsection (4)(b) of this section and section 43-4-206 (1)(b)(V); and

12 **SECTION 5.** In Colorado Revised Statutes, **add 43-1-125 as**
13 follows:

14 **43-1-125. Restriction on tolled and managed lanes - absence of**
15 **feasible alternatives required - definition.** (1) **AS USED IN THIS**
16 **SECTION, "MANAGED LANE" MEANS A TOLL LANE, A HIGH-OCCUPANCY**
17 **TOLL LANE, OR A HIGH-OCCUPANCY VEHICLE LANE.**

18 (2) **NEITHER THE DEPARTMENT NOR ANY ENTERPRISE OF THE**
19 **DEPARTMENT SHALL CONSTRUCT OR DESIGNATE A MANAGED LANE ON A**
20 **STATE HIGHWAY OR ENTER INTO A PUBLIC-PRIVATE PARTNERSHIP THAT**
21 **INCLUDES THE CONSTRUCTION OR DESIGNATION OF A MANAGED LANE ON**
22 **A STATE HIGHWAY UNLESS:**

23 (a) **THE DEPARTMENT OR ENTERPRISE, TAKING SAFETY**
24 **CONSIDERATIONS INTO ACCOUNT BUT BALANCING ANY SAFETY IMPACTS**
25 **AGAINST THE BENEFITS OF CAPACITY EXPANSION AND CONGESTION RELIEF,**
26 **HAS THOROUGHLY EVALUATED ALTERNATIVE MEANS OF INCREASING THE**
27 **CAPACITY OF AND REDUCING TRAFFIC CONGESTION ON THE STATE**

1 HIGHWAY INCLUDING:
2 (I) NARROWING LANES OR SHOULDERS ON THE EXISTING ROADWAY
3 IN ORDER TO INCREASE THE NUMBER OF LANES AVAILABLE;
4 (II) CONVERTING ONE OR MORE EXISTING LANES, OR ONE OR MORE
5 NEW LANES RESULTING FROM LANE OR SHOULDER NARROWING, INTO
6 REVERSIBLE LANES; AND
7 (III) OPTIMIZING TRAFFIC FLOW THROUGH OTHER
8 CONFIGURATIONAL OR OPERATIONAL CHANGES TO THE STATE HIGHWAY
9 SUCH AS:
10 (A) WEAVING SECTION IMPROVEMENTS;
11 (B) INTERCHANGE MODIFICATION AND, IF APPLICABLE, OTHER
12 ACCESS POINT MODIFICATIONS;
13 (C) ONE OR MORE DEDICATED BUS OR TRUCK LANES; AND
14 (D) IF THE STATE HIGHWAY INCLUDES TRAFFIC SIGNALS,
15 OPTIMIZATION OF TRAFFIC FLOW THROUGH TRAFFIC SIGNAL COORDINATION
16 OR USE OF ADAPTIVE TRAFFIC SIGNALS; AND
17 (b) THE DEPARTMENT OR ENTERPRISE HAS PUBLISHED DETAILED
18 WRITTEN DATA-BASED FINDINGS THAT CLEARLY ESTABLISH THAT WHEN
19 COMPARED TO THE ADDITION OF ONE OR MORE MANAGED LANES, ALL OF
20 THE ALTERNATIVES EVALUATED ARE UNFEASIBLE TO IMPLEMENT OR TOO
21 UNSAFE TO BE IMPLEMENTED OR WOULD NOT PROVIDE ADEQUATE
22 CAPACITY EXPANSION AND CONGESTION RELIEF.

23 SECTION 6. In Colorado Revised Statutes, add 43-1-220.5 as
24 follows:

25 43-1-220.5. State highway fund - use of money transferred
26 from general fund - repayment of transportation revenue
27 anticipation notes - repeal. (1) THE DEPARTMENT OF TRANSPORTATION

1 SHALL EXPEND MONEY TRANSFERRED FROM THE GENERAL FUND TO THE
2 STATE HIGHWAY FUND PURSUANT TO SECTION 24-75-219 (5)(a) ONLY FOR
3 NEW HIGHWAY CONSTRUCTION ___ ___ PROJECTS.

4 (2) (a) IF A BALLOT ISSUE INITIATED BY PRIVATE CITIZENS THAT
5 AUTHORIZES THE STATE TO ISSUE TRANSPORTATION REVENUE
6 ANTICIPATION NOTES IS SUBMITTED TO THE REGISTERED ELECTORS OF THE
7 STATE FOR THEIR APPROVAL OR REJECTION AT THE NOVEMBER 2018
8 GENERAL ELECTION AND A MAJORITY OF THE ELECTORS VOTING ON THE
9 BALLOT ISSUE VOTE "Yes/For", THE DEPARTMENT SHALL EXPEND MONEY
10 TRANSFERRED FROM THE GENERAL FUND TO THE STATE HIGHWAY FUND
11 PURSUANT TO SECTION 24-75-219 (5) FIRST, TO THE EXTENT NEEDED, FOR
12 MAINTENANCE OF THE TRANSPORTATION INFRASTRUCTURE PROJECTS
13 FINANCED BY THE NOTES AND THEREAFTER EXCLUSIVELY FOR
14 MAINTENANCE OF THE STATE HIGHWAY SYSTEM.

15 (b) (I) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JANUARY 1,
16 2019, IF EITHER:

17 (A) A BALLOT ISSUE INITIATED BY PRIVATE CITIZENS THAT
18 AUTHORIZES THE STATE TO ISSUE TRANSPORTATION REVENUE
19 ANTICIPATION NOTES TO FINANCE THE CONSTRUCTION OF
20 TRANSPORTATION INFRASTRUCTURE PROJECTS IS NOT SUBMITTED TO THE
21 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
22 AT THE NOVEMBER 2018 GENERAL ELECTION; OR

23 (B) SUCH A BALLOT ISSUE IS SUBMITTED AND A MAJORITY OF THE
24 ELECTORS VOTING ON THE BALLOT ISSUE VOTE "No/AGAINST".

25 (II) THIS SUBSECTION (2)(b) IS REPEALED, EFFECTIVE JANUARY 1,
26 2019, IF A BALLOT ISSUE INITIATED BY PRIVATE CITIZENS THAT
27 AUTHORIZES THE STATE TO ISSUE TRANSPORTATION REVENUE

1 ANTICIPATION NOTES IS SUBMITTED TO THE REGISTERED ELECTORS OF THE
2 STATE FOR THEIR APPROVAL OR REJECTION AT THE NOVEMBER 2018
3 GENERAL ELECTION AND A MAJORITY OF THE ELECTORS VOTING ON THE
4 BALLOT ISSUE VOTE "YES/FOR".

5 (3) (a) IF A BALLOT ISSUE THAT AUTHORIZES THE STATE TO ISSUE
6 TRANSPORTATION REVENUE ANTICIPATION NOTES IS SUBMITTED TO THE
7 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
8 AT THE NOVEMBER 2019 STATEWIDE ELECTION PURSUANT TO SECTION
9 43-4-705 (13)(b) AND A MAJORITY OF THE ELECTORS VOTING ON THE
10 BALLOT ISSUE VOTE "YES/FOR", THE DEPARTMENT SHALL EXPEND MONEY
11 TRANSFERRED FROM THE GENERAL FUND TO THE STATE HIGHWAY FUND
12 PURSUANT TO SECTION 24-75-219 (5) FIRST, TO THE EXTENT NEEDED, TO
13 MAKE THE FULL AMOUNT OF PAYMENTS DUE ON THE NOTES AND
14 THEREAFTER EXCLUSIVELY FOR MAINTENANCE OF THE STATE HIGHWAY
15 SYSTEM.

16 (b) (I) THIS SUBSECTION (3) IS REPEALED:

17 (A) EFFECTIVE JANUARY 1, 2019, IF A BALLOT ISSUE INITIATED BY
18 PRIVATE CITIZENS THAT AUTHORIZES THE STATE TO ISSUE
19 TRANSPORTATION REVENUE ANTICIPATION NOTES IS SUBMITTED TO THE
20 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
21 AT THE NOVEMBER 2018 GENERAL ELECTION AND A MAJORITY OF THE
22 ELECTORS VOTING ON THE BALLOT ISSUE VOTE "YES/FOR":

23 (B) EFFECTIVE JANUARY 1, 2020, IF A BALLOT ISSUE THAT
24 AUTHORIZES THE STATE TO ISSUE TRANSPORTATION REVENUE
25 ANTICIPATION NOTES IS SUBMITTED TO THE REGISTERED ELECTORS OF THE
26 STATE FOR THEIR APPROVAL OR REJECTION AT THE NOVEMBER 2019
27 STATEWIDE ELECTION PURSUANT TO SECTION 43-4-705 (13)(b) AND A

1 MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE VOTE
2 "NO/AGAINST".

3 (II) THIS SUBSECTION (3)(b) IS REPEALED, EFFECTIVE JANUARY 1,
4 2020, IF A BALLOT ISSUE THAT AUTHORIZES THE STATE TO ISSUE
5 TRANSPORTATION REVENUE ANTICIPATION NOTES IS SUBMITTED TO THE
6 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
7 AT THE NOVEMBER 2019 STATEWIDE ELECTION PURSUANT TO SECTION
8 43-4-705 (13)(b) AND A MAJORITY OF THE ELECTORS VOTING ON THE
9 BALLOT ISSUE VOTE "YES/FOR".

10 SECTION 7. In Colorado Revised Statutes, 43-1-1401, amend
11 (2) as follows:

12 43-1-1401. Legislative declaration. (2) The general assembly
13 intends that this part 14 ~~authorize~~ AUTHORIZES the department of
14 transportation to enter INTO design-build contracts and to use an adjusted
15 score design-build selection and procurement process for particular
16 transportation projects regardless of the minimum or maximum cost of
17 such projects, based on the individual needs and merits of such projects,
18 and subject to approval by the transportation commission. The general
19 assembly also intends that the department's use of an adjusted score
20 design-build contract process ~~shall~~ DOES not prohibit use of the low bid
21 process currently used by the department pursuant to part 1 of article 92
22 of title 24 and part 14 of article 30 of title 24. C.R.S. THE GENERAL
23 ASSEMBLY FURTHER INTENDS THAT WHEN DETERMINING WHETHER TO USE
24 THE LOW BID PROCESS OR THE DESIGN-BUILD PROCESS TO CONTRACT FOR
25 A PROJECT, THE DEPARTMENT STRONGLY CONSIDER THE EXTENT TO WHICH
26 USE OF THE DESIGN-BUILD PROCESS IS LIKELY, BY EXCLUDING
27 CONTRACTORS THAT LACK THE CAPABILITY OR SIZE TO DO BOTH THE

1 DESIGN AND CONSTRUCTION WORK FOR THE PROJECT, TO REDUCE
2 COMPETITION IN BIDDING FOR THE CONTRACT, INCREASE THE TOTAL COSTS
3 TO THE STATE OF DESIGNING AND BUILDING THE PROJECT, OR BOTH.

4 **SECTION 8.** In Colorado Revised Statutes, 43-4-206, **amend** (1)
5 introductory portion, (2)(b) introductory portion, (2)(b)(III), and
6 (2)(b)(IV) as follows:

7 **43-4-206. State allocation.** (1) Except as otherwise provided in
8 subsections (1)(a)(V), SUBSECTIONS (1)(b)(V), (2), and (3) of this section,
9 after paying the costs of the Colorado state patrol and any other costs of
10 the department, exclusive of highway construction, highway
11 improvements, or highway maintenance, that are appropriated by the
12 general assembly, money in the highway users tax fund shall be paid to
13 the state highway fund and expended for the following purposes:

14 (2) (b) Beginning in 1998, the department of transportation shall
15 report annually to the transportation committee of the senate and the
16 transportation and energy committee of the house of representatives
17 concerning the revenue expended by the department pursuant to
18 subsection (2)(a) of this section and, beginning in 2018 2019, any STATE
19 GENERAL FUND MONEY THAT IS CREDITED TO THE STATE HIGHWAY FUND
20 PURSUANT TO SECTION 24-75-219 (5) AND EXPENDED BY THE
21 DEPARTMENT PURSUANT TO SECTION 43-1-220.5, AND ANY NET proceeds
22 of lease-purchase agreements executed as required by section 24-82-1303
23 (2)(a) that are credited to the state highway fund pursuant to section
24 24-82-1303 (4)(b) and expended by the department pursuant to subsection
25 (1)(b)(V) of this section. The department shall present the report at the
26 joint meeting required under section 43-1-113 (9)(a), and the report shall
27 describe for each fiscal year, if applicable:

1 (III) The projected amounts of revenue and net proceeds that the
2 department expects to receive under this subsection (2), and subsection
3 (1)(b)(V) of this section SECTION 24-75-219 (5), AND SECTION 24-82-1303
4 (4)(b) during the fiscal year;

5 (IV) The amount of revenue and net proceeds that the department
6 has already received under this subsection (2), and subsection (1)(b)(V)
7 of this section SECTION 24-75-219 (5), AND SECTION 24-82-1303 (4)(b)
8 during the fiscal year; and

9 SECTION 9. In Colorado Revised Statutes, 43-4-702, repeal (7);
10 and add (9) as follows:

11 43-4-702. Definitions. As used in this part 7, unless the context
12 otherwise requires:

13 (7) "Revenue anticipation notes" or "notes" means revenue
14 anticipation notes authorized by and issued in accordance with this part
15 7.

16 (9) "TRANSPORTATION REVENUE ANTICIPATION NOTES", "REVENUE
17 ANTICIPATION NOTES", OR "NOTES" MEANS REVENUE ANTICIPATION NOTES
18 AUTHORIZED BY AND ISSUED IN ACCORDANCE WITH THIS PART 7.

19 SECTION 10. In Colorado Revised Statutes, 43-4-705, amend
20 (13) as follows:

21 43-4-705. Revenue anticipation notes - repeal.
22 (13) (a) Notwithstanding any other provision of this part 7 to the
23 contrary, the executive director shall have the authority to issue revenue
24 anticipation notes pursuant to this part 7 only if voters statewide approve
25 the ballot question submitted at the November 1999 statewide election
26 pursuant to section 43-4-703 (1) and only then to the extent allowed under
27 the maximum amounts of debt and repayment cost so approved.

1 (b) (I) SUBJECT TO VOTER APPROVAL OF THE BALLOT ISSUE
2 SUBMITTED AT THE NOVEMBER 2019 STATEWIDE ELECTION PURSUANT TO
3 SUBSECTION (13)(b)(III) OF THIS SECTION AND THE REPAYMENT FUNDING
4 COMMITMENT REQUIREMENT SPECIFIED IN SUBSECTION (13)(b)(II) OF THIS
5 SECTION, THE EXECUTIVE DIRECTOR SHALL ISSUE ADDITIONAL
6 TRANSPORTATION REVENUE ANTICIPATION NOTES IN A MAXIMUM AMOUNT
7 OF THREE BILLION FIVE HUNDRED MILLION DOLLARS AND WITH A
8 MAXIMUM REPAYMENT COST OF FIVE BILLION DOLLARS. THE MAXIMUM
9 REPAYMENT TERM FOR ANY NOTES ISSUED PURSUANT TO THIS SUBSECTION
10 (13)(b) IS TWENTY YEARS, AND THE CERTIFICATE, TRUST INDENTURE, OR
11 OTHER INSTRUMENT AUTHORIZING THEIR ISSUANCE SHALL PROVIDE THAT
12 THE STATE MAY PAY THE NOTES IN FULL BEFORE THE END OF THE
13 SPECIFIED PAYMENT TERM WITHOUT PENALTY.

14 (II) NOTWITHSTANDING SECTION 43-1-113 (19) AND SUBSECTION
15 (12)(a) OF THIS SECTION, BEFORE ISSUING ANY REVENUE ANTICIPATION
16 NOTES AS AUTHORIZED BY SUBSECTION (13)(b)(I) OF THIS SECTION, THE
17 TRANSPORTATION COMMISSION SHALL ADOPT A RESOLUTION PLEDGING TO
18 ANNUALLY ALLOCATE FROM LEGALLY AVAILABLE MONEY UNDER ITS
19 CONTROL ANY AMOUNT NEEDED FOR PAYMENT OF THE NOTES UNTIL THE
20 NOTES ARE FULLY REPAID.

21 (III) THE SECRETARY OF STATE SHALL SUBMIT TO THE REGISTERED
22 ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION AT THE
23 NOVEMBER 2019 STATEWIDE ELECTION THE FOLLOWING BALLOT ISSUE:
24 "SHALL STATE OF COLORADO DEBT BE INCREASED UP TO \$3,500,000,000,
25 WITH A MAXIMUM REPAYMENT COST OF \$5,000,000,000, THROUGH THE
26 ISSUANCE OF TRANSPORTATION REVENUE ANTICIPATION NOTES FOR THE
27 PURPOSE OF ADDRESSING CRITICAL PRIORITY TRANSPORTATION NEEDS IN

1 THE STATE BY FINANCING TRANSPORTATION PROJECTS, SHALL NOTE
2 PROCEEDS AND INVESTMENT EARNINGS ON NOTE PROCEEDS BE EXCLUDED
3 FROM STATE FISCAL YEAR SPENDING LIMITS, AND SHALL THE AMOUNT OF
4 LEASE-PURCHASE AGREEMENTS REQUIRED BY CURRENT LAW TO BE ISSUED
5 FOR THE PURPOSE OF FINANCING TRANSPORTATION PROJECTS BE
6 REDUCED?"

7 (IV) WITHIN FORTY-FIVE DAYS OF THE EFFECTIVE DATE OF THIS
8 SUBSECTION (13)(b)(IV), THE DEPARTMENT SHALL PROVIDE TO THE
9 DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL THE MOST RECENT
10 AVAILABLE LIST OF QUALIFIED FEDERAL AID TRANSPORTATION PROJECTS,
11 INCLUDING MULTIMODAL CAPITAL PROJECTS, THAT ARE DESIGNATED FOR
12 TIER 1 FUNDING AS TEN-YEAR DEVELOPMENT PROGRAM PROJECTS ON THE
13 DEPARTMENT'S 2019 DEVELOPMENT PROGRAM PROJECT LIST AND THAT
14 THE DEPARTMENT WILL FUND WITH PROCEEDS OF ANY TRANSPORTATION
15 REVENUE ANTICIPATION NOTES ISSUED AS AUTHORIZED BY THIS
16 SUBSECTION (13)(b). IN ORDER TO FULLY INFORM THE VOTERS OF THE
17 STATE CONCERNING THE PROJECTS TO BE FUNDED WITH PROCEEDS OF ANY
18 SUCH ADDITIONAL TRANSPORTATION REVENUE ANTICIPATION NOTES
19 BEFORE THE VOTERS VOTE ON THE BALLOT QUESTION SPECIFIED IN
20 SUBSECTION (13)(b)(III) OF THIS SECTION, THE DIRECTOR OF RESEARCH
21 SHALL PUBLISH THE LIST, INCLUDING ANY SUBSEQUENT UPDATES TO THE
22 LIST MADE BEFORE FINAL APPROVAL BY THE LEGISLATIVE COUNCIL OF THE
23 2019 BALLOT INFORMATION BOOKLET PREPARED PURSUANT TO SECTION
24 1-40-124.5, WHICH UPDATES THE DEPARTMENT SHALL EXPEDITIOUSLY
25 PROVIDE TO THE DIRECTOR OF RESEARCH, IN THE BALLOT INFORMATION
26 BOOKLET.

27 (V) (A) THIS SUBSECTION (13)(b) IS REPEALED, EFFECTIVE

1 JANUARY 1, 2019, IF A BALLOT ISSUE INITIATED BY PRIVATE CITIZENS THAT
2 AUTHORIZES THE STATE TO ISSUE TRANSPORTATION REVENUE
3 ANTICIPATION NOTES IS SUBMITTED TO THE REGISTERED ELECTORS OF THE
4 STATE FOR THEIR APPROVAL OR REJECTION AT THE NOVEMBER 2018
5 GENERAL ELECTION AND A MAJORITY OF THE ELECTORS VOTING ON THE
6 BALLOT ISSUE VOTE "YES/FOR".

7 (B) THIS SUBSECTION (13)(b) IS REPEALED, EFFECTIVE JANUARY
8 1, 2020, IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE IN
9 SUBSECTION (13)(b)(III) OF THIS SECTION VOTE "NO/AGAINST".

10 (C) THIS SUBSECTION (13)(b)(V) IS REPEALED, EFFECTIVE
11 JANUARY 1, 2020, IF A MAJORITY OF THE ELECTORS VOTING ON THE
12 BALLOT ISSUE IN SUBSECTION (13)(b)(III) OF THIS SECTION VOTE
13 "YES/FOR".

14 **SECTION 11.** In Colorado Revised Statutes, **amend 43-4-714** as
15 follows:

16 **43-4-714. Priority of strategic transportation project**
17 **investment program - additional contract award process**
18 **requirements -use of note proceeds - repeal.** (1) If the executive
19 director issues any revenue anticipation notes in accordance with ~~the~~
20 ~~provisions of this part 7,~~ the proceeds from the sale of such notes that are
21 not otherwise pledged for the payment of such notes shall be used for the
22 qualified federal aid transportation projects included in the strategic
23 transportation project investment program of the department of
24 transportation.

25 (2) (a) IN ADDITION TO THE REQUIREMENT SPECIFIED IN
26 SUBSECTION (1) OF THIS SECTION, NET PROCEEDS FROM THE SALE OF ANY
27 TRANSPORTATION REVENUE ANTICIPATION NOTES THAT THE EXECUTIVE

1 DIRECTOR ISSUES PURSUANT TO SECTION 43-4-705 (13)(b) THAT ARE NOT
2 OTHERWISE PLEDGED FOR THE PAYMENT OF THE NOTES SHALL BE
3 CREDITED TO THE STATE HIGHWAY FUND AND EXPENDED BY THE
4 DEPARTMENT ONLY FOR QUALIFIED FEDERAL AID TRANSPORTATION
5 PROJECTS THAT ARE INCLUDED IN THE STRATEGIC TRANSPORTATION
6 PROJECT INVESTMENT PROGRAM OF THE DEPARTMENT OF
7 TRANSPORTATION AND THAT ARE DESIGNATED FOR TIER 1 FUNDING AS
8 TEN-YEAR DEVELOPMENT PROGRAM PROJECTS ON THE DEPARTMENT'S
9 DEVELOPMENT PROGRAM PROJECT LIST, WITH AT LEAST TWENTY-FIVE
10 PERCENT OF THE NET PROCEEDS OF TRANSPORTATION REVENUE
11 ANTICIPATION NOTES BEING USED FOR PROJECTS THAT ARE LOCATED IN
12 COUNTIES WITH POPULATIONS OF FIFTY THOUSAND OR LESS AS OF JULY
13 2015 AS REPORTED BY THE STATE DEMOGRAPHY OFFICE OF THE
14 DEPARTMENT OF LOCAL AFFAIRS. NO MORE THAN NINETY PERCENT OF THE
15 NET PROCEEDS OF TRANSPORTATION REVENUE ANTICIPATION NOTES SHALL
16 BE EXPENDED FOR HIGHWAY PURPOSES OR HIGHWAY-RELATED CAPITAL
17 IMPROVEMENTS, AND AT LEAST TEN PERCENT OF THE NET PROCEEDS SHALL
18 BE EXPENDED FOR TRANSIT PURPOSES OR FOR TRANSIT-RELATED CAPITAL
19 IMPROVEMENTS, INCLUDING SOUND WALLS ALONG INTERSTATE
20 HIGHWAYS.

21 (b) (I) THIS SUBSECTION (2) IS REPEALED:

22 (A) EFFECTIVE JANUARY 1, 2019, IF A BALLOT ISSUE INITIATED BY
23 PRIVATE CITIZENS THAT AUTHORIZES THE STATE TO ISSUE
24 TRANSPORTATION REVENUE ANTICIPATION NOTES IS SUBMITTED TO THE
25 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
26 AT THE NOVEMBER 2018 GENERAL ELECTION AND A MAJORITY OF THE
27 ELECTORS VOTING ON THE BALLOT ISSUE VOTE "YES/FOR".

1 (B) EFFECTIVE JANUARY 1, 2020, IF A BALLOT ISSUE THAT
2 AUTHORIZES THE STATE TO ISSUE TRANSPORTATION REVENUE
3 ANTICIPATION NOTES IS SUBMITTED TO THE REGISTERED ELECTORS OF THE
4 STATE FOR THEIR APPROVAL OR REJECTION AT THE NOVEMBER 2019
5 STATEWIDE ELECTION PURSUANT TO SECTION 43-4-705 (13)(b) AND A
6 MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE VOTE
7 "NO/AGAINST".

8 (II) THIS SUBSECTION (2)(b) IS REPEALED, EFFECTIVE JANUARY 1,
9 2020, IF A BALLOT ISSUE THAT AUTHORIZES THE STATE TO ISSUE
10 TRANSPORTATION REVENUE ANTICIPATION NOTES IS SUBMITTED TO THE
11 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
12 AT THE NOVEMBER 2019 STATEWIDE ELECTION PURSUANT TO SECTION
13 43-4-705 (13)(b) AND A MAJORITY OF THE ELECTORS VOTING ON THE
14 BALLOT ISSUE VOTE "YES/FOR".

15 **SECTION 12. Effective date - applicability.** (1) Except as
16 otherwise provided in subsection (2) of this section, this act takes effect
17 upon passage.

18 (2) Section 4 of this act takes effect only if either:

19 (a) A ballot issue initiated by private citizens that authorizes the
20 state to issue transportation revenue anticipation notes is submitted to the
21 registered electors of the state for their approval or rejection at the
22 November 2018 general election and a majority of the electors voting on
23 the ballot issue vote "Yes/For", and, in such case, section 4 of this act
24 takes effect on the date of the official declaration of the vote thereon by
25 the governor; or

26 (b) A ballot issue that authorizes the state to issue transportation
27 revenue anticipation notes is submitted to the registered electors of the

1 state for their approval or rejection at the November 2019 statewide
2 election pursuant to section 43-4-705 (13)(b), Colorado Revised Statutes,
3 enacted in section 10 of this act, and a majority of the electors voting on
4 the ballot issue vote "Yes/For", and, in such case, section 4 of this act
5 takes effect on the date of the official declaration of the vote thereon by
6 the governor.

7 **SECTION 13. Safety clause.** The general assembly hereby finds,
8 determines, and declares that this act is necessary for the immediate
9 preservation of the public peace, health, and safety.