A BILL FOR AN ACT

CONCERNING THE MODIFICATION OF TRANSPORTATION FUNDING MECHANISMS, AND, IN CONNECTION THEREWITH,

DELAYING FROM THE NOVEMBER 2020 GENERAL ELECTION UNTIL THE NOVEMBER 2021 STATEWIDE ELECTION THE REQUIREMENT THAT A BALLOT ISSUE SEEKING APPROVAL FOR THE ISSUANCE OF TRANSPORTATION REVENUE ANTICIPATION NOTES BE SUBMITTED TO THE VOTERS OF THE STATE, AMENDING THE BALLOT ISSUE TO REDUCE THE AMOUNT OF NOTES AUTHORIZED TO BE ISSUED, ELIMINATING SPECIFIED SCHEDULED GENERAL FUND TRANSFERS TO THE STATE HIGHWAY FUND, REDUCING THE AMOUNT OF GENERAL FUND MONEY DEDICATED TO MAKE LEASE-PURCHASE AGREEMENT PAYMENTS DUE DURING STATE FISCAL YEARS 2020-21 AND 2021-22, REPEALING
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/.)

Joint Budget Committee. Current law, enacted by Senate Bills 18-001 and 19-263, requires that a ballot issue seeking approval for the issuance of transportation revenue anticipation notes (TRANs) be submitted to the voters of the state at the November 2020 general election. If the ballot issue is approved, the requirement, enacted by Senate Bill 17-267, that the state execute 2 separate tranches of up to $500 million each of lease-purchase agreements in state fiscal years 2020-21 and 2021-22 for the purpose of funding transportation, will be repealed. Current law, enacted by Senate Bill 19-239, also requires department of transportation (CDOT) rule-making and reporting relating to motor vehicles used for certain types of commercial purposes. The bill:

! Delays from the November 2020 general election to the November 2021 statewide election the requirement that a ballot issue seeking approval for the issuance of transportation revenue anticipation notes (TRANs) be submitted to the voters of the state;

! Amends the ballot issue to reduce the amount of TRANs authorized to be issued by $500 million to offset the additional $500 million of lease-purchase agreement transportation funding that becomes available because the approval of the ballot issue at the November 2020 general election will repeal only the state fiscal year 2021-22 and tranche of Senate Bill 17-267 lease-purchase agreements, rather than both the state fiscal year 2020-21 and 2021-22 tranches of such lease-purchase agreements;

! Eliminates 2 statutory transfers of $50 million each from the general fund to the state highway fund that are scheduled under current law to be made on June 30, 2021, and June 30, 2022;

! Reduces the amount of general fund money dedicated to
make lease-purchase agreement payments due in state fiscal years 2020-21 and 2021-22 by $12 million per year by increasing the amount of such payment to be paid by the department of transportation from its other sources of legally available money by $12 million per year; and

Repeals the CDOT rule-making and reporting requirements relating to motor vehicles used for certain types of commercial purposes.

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

SECTION 1. In Colorado Revised Statutes, 24-75-219, amend

(5)(c) introductory portion, (5)(c)(III)(A), (5)(c)(III)(C),


and (5)(d)(III) as follows:

24-75-219. Transfers - transportation - capital construction - definitions - repeal. (5) (c) The state treasurer shall transfer fifty million dollars from the general fund to the state highway fund on June 30, 2020. Except as otherwise provided in subsection (5)(d) of this section and section 43-4-714 (2)(a), on June 30, 2021 and on each succeeding June 30 through June 30, 2040, the state treasurer shall transfer money from the general fund to the state highway fund as follows:

(III) (A) If a ballot issue that authorizes the state to issue transportation revenue anticipation notes is submitted to the registered electors of the state for their approval or rejection at the November 2020 general NOVEMBER 2021 STATEWIDE election pursuant to section 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue vote "No/Against", fifty million dollars;

(C) This subsection (5)(c)(III) is repealed, effective January 1, 2022, if a ballot issue that authorizes the state to issue
transportation revenue anticipation notes is submitted to the registered electors of the state for their approval or rejection at the November 2020 general November 2021 statewide election pursuant to section 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue vote "Yes/For";

(D) This subsection (5)(c)(III)(D) and subsection (5)(c)(III)(C) of this section are repealed, effective January 1, 2022, if a ballot issue that authorizes the state to issue transportation revenue anticipation notes is submitted to the registered electors of the state for their approval or rejection at the November 2020 general November 2021 statewide election pursuant to section 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue vote "Yes/For";

(IV) (A) If a ballot issue that authorizes the state to issue transportation revenue anticipation notes is submitted to the registered electors of the state for their approval or rejection at the November 2020 general November 2021 statewide election pursuant to section 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue vote "Yes/For", ninety-two SEVENTY-NINE million five hundred thousand dollars;

(C) This subsection (5)(c)(IV) is repealed, effective January 1, 2022, if a ballot issue that authorizes the state to issue transportation revenue anticipation notes is submitted to the registered electors of the state for their approval or rejection at the November 2020 general November 2021 statewide election pursuant to section 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue vote "No/Against";

(D) This subsection (5)(c)(IV)(D) and subsection (5)(c)(IV)(C) of
this section are repealed, effective January 1, 2021, if a ballot issue that authorizes the state to issue transportation revenue anticipation notes is submitted to the registered electors of the state for their approval or rejection at the November 2020 general election pursuant to section 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue vote "Yes/For"; or

(d) (II) This subsection (5)(d) is repealed:

(B) Effective January 1, 2021, if a ballot issue that authorizes the state to issue transportation revenue anticipation notes is submitted to the registered electors of the state for their approval or rejection at the November 2020 general election pursuant to section 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue vote "No/Against".

(III) This subsection (5)(d)(III) and subsection (5)(d)(II) of this section are repealed, effective January 1, 2021, if a ballot issue that authorizes the state to issue transportation revenue anticipation notes is submitted to the registered electors of the state for their approval or rejection at the November 2020 general election pursuant to section 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue vote "Yes/For".

SECTION 2. In Colorado Revised Statutes, 24-82-1303, amend as it is effective until a ballot issue is proclaimed by the governor (2)(d)(II) as follows:

24-82-1303. Lease-purchase agreements for capital construction and transportation projects. (2) (d) Any lease-purchase agreement executed as required by subsection (2)(a) of this section shall provide that all of the obligations of the state under the agreement are
subject to the action of the general assembly in annually making money
available for all payments thereunder. Payments under any lease-purchase
agreement must be made, subject to annual allocation pursuant to section
43-1-113 by the transportation commission created in section 43-1-106
(1) or subject to annual appropriation by the general assembly, as
applicable, from the following sources of money:

(II) Next, fifty million dollars annually, or any lesser amount that
is sufficient to make each full payment due, shall be paid from any legally
available money under the control of the transportation commission solely
for the purpose of allowing the construction, supervision, and
maintenance of state highways to be funded with the proceeds of
lease-purchase agreements as specified in subsection (4)(b) of this section
and section 43-4-206 (1)(b)(V); EXCEPT THAT, FOR PAYMENTS DUE
DURING STATE FISCAL YEARS 2020-21 AND 2021-22, SIXTY-TWO MILLION
DOLLARS ANNUALLY, OR ANY LESSER AMOUNT THAT IS SUFFICIENT TO
MAKE EACH FULL PAYMENT DUE SHALL BE PAID FROM SUCH LEGALLY
AVAILABLE MONEY FOR SAID PURPOSE; and

SECTION 3. In Colorado Revised Statutes, 24-82-1303, amend
as they will become effective only if a ballot issue is proclaimed by the
governor (2)(b) and (2)(d)(II); and repeal as they will become effective
only if a ballot issue is proclaimed by the governor (2)(a)(I) and
(2)(a)(II) as follows:

24-82-1303. Lease-purchase agreements for capital
construction and transportation projects. (2)(a) Notwithstanding the
provisions of sections 24-82-102 (1)(b) and 24-82-801, and pursuant to
section 24-36-121, no sooner than July 1, 2018, the state, acting by and
through the state treasurer, shall execute lease-purchase agreements, each for no more than twenty years of annual payments, for the projects described in subsection (4) of this section. The state shall execute the lease-purchase agreements as soon as possible after July 1 of the applicable state fiscal year only in accordance with the following schedule:

(I) During the 2018-19 state fiscal year in an amount up to five hundred million dollars; and

(II) During the 2019-20 state fiscal year, in an amount up to five hundred million dollars.

(b) The anticipated annual state-funded payments for the principal and interest components of the amount payable under all lease-purchase agreements entered into pursuant to subsection (2)(a) of this section shall not exceed seventy-five ONE HUNDRED TWELVE million FIVE HUNDRED THOUSAND dollars.

(d) Any lease-purchase agreement executed as required by subsection (2)(a) of this section shall provide that all of the obligations of the state under the agreement are subject to the action of the general assembly in annually making money available for all payments thereunder. Payments under any lease-purchase agreement must be made, subject to annual allocation pursuant to section 43-1-113 by the transportation commission created in section 43-1-106 (1) or subject to annual appropriation by the general assembly, as applicable, from the following sources of money:

(II) Next, for state fiscal year 2020-21 YEAR 2021-22 and for each succeeding state fiscal year for which a payment under any lease-purchase agreement must be made, fourteen THIRTY-SIX million five SEVEN
hundred thousand dollars annually, or any lesser amount that is sufficient to make each full payment due, shall be paid from any legally available money under the control of the transportation commission solely for the purpose of allowing the construction, supervision, and maintenance of state highways to be funded with the proceeds of lease-purchase agreements as specified in subsection (4)(b) of this section and section 43-4-206 (1)(b)(V); EXCEPT THAT, FOR THE PAYMENT DUE DURING STATE FISCAL YEAR 2021-22 ONLY, FORTY-EIGHT MILLION SEVEN HUNDRED THOUSAND DOLLARS, OR ANY LESSER AMOUNT THAT IS SUFFICIENT TO MAKE THE FULL PAYMENT DUE SHALL BE PAID FROM SUCH LEGALLY AVAILABLE MONEY FOR SAID PURPOSE; and

SECTION 4. In Colorado Revised Statutes, 43-1-125, repeal (2)(b) and (7) as follows:

43-1-125. Motor vehicles used for commercial purposes - stakeholder group - reporting - rules - legislative declaration - definition. (2) The general assembly further finds and declares that it is necessary, appropriate, and in the best interest of the state to:

(b) Authorize the department to promulgate rules that implement stakeholder group and legislative recommendations:

(7) (a) No later than October 1, 2020, within any statutory parameters established by the general assembly through legislation enacted during the 2020 legislative session, and continuing to give strong consideration to the policy recommendations report provided by the stakeholder group as required by subsection (5)(b) of this section, the department shall promulgate rules to the extent necessary to effectively implement this section. If the general assembly does not impose fees on motor vehicles used for commercial purposes through legislation enacted
during the 2020 legislative session and instead enacts legislation that
authorizes the department or any enterprise of the department to impose
such fees, the rules may impose fees to the extent authorized by the
legislation.

(b) During the 2020 legislative interim, the department shall
present a final written report regarding the stakeholder group and
rule-making processes and any rules promulgated pursuant to subsection
(7)(a) of this section to the transportation legislation review committee
created in section 43-2-145.

SECTION 5. In Colorado Revised Statutes, 43-4-705, amend
(13)(b)(I), (13)(b)(III), (13)(b)(IV), (13)(b)(V)(B), and (13)(b)(V)(C) as
follows:

43-4-705. Revenue anticipation notes - ballot issue - repeal.
(13)(b)(I) Subject to voter approval of the ballot issue submitted at the
November 2020 general NOVEMBER 2021 STATEWIDE election pursuant
to subsection (13)(b)(III) of this section and the repayment funding
commitment requirement specified in subsection (13)(b)(II) of this
section, the executive director shall issue additional transportation
revenue anticipation notes in a maximum amount of one billion eight
THREE hundred thirty-seven million dollars and with a maximum
repayment cost of two ONE billion five EIGHT hundred sixty SIXTY-FIVE
million dollars. The maximum repayment term for any notes issued
pursuant to this subsection (13)(b) is twenty years, and the certificate,
trust indenture, or other instrument authorizing their issuance shall
provide that the state may pay the notes in full without penalty no later
than ten years following the date of issuance.
(III) The secretary of state shall submit to the registered electors of the state for their approval or rejection at the November 2020 general NOVEMBER 2021 STATEWIDE election the following ballot issue: "Shall state of Colorado debt be increased $1,837,000,000 INCREASED $1,337,000,000, with a maximum repayment cost of $2,560,000,000 OF $1,865,000,000, without raising taxes, through the issuance of transportation revenue anticipation notes for the purpose of addressing critical priority transportation needs in the state by financing transportation projects, shall note proceeds and investment earnings on note proceeds be excluded from state fiscal year spending limits, and shall the amount of lease-purchase agreements required by current law to be issued for the purpose of financing transportation projects be reduced?"

(IV) No later than May 1, 2020 MAY 1, 2021, the department shall provide to the director of research of the legislative council the most recent available list of qualified federal aid transportation projects, including multimodal capital projects, that are designated for tier 1 funding as ten-year development program projects on the department's 2020 DEPARTMENT'S 2021 development program project list and that the department will fund with proceeds of any transportation revenue anticipation notes issued as authorized by this subsection (13)(b). In order to fully inform the voters of the state concerning the projects to be funded with proceeds of any such additional transportation revenue anticipation notes before the voters vote on the ballot question specified in subsection (13)(b)(III) of this section, the director of research shall publish the list, including any subsequent updates to the list made before final approval by the legislative council of the 2020 THE 2021 ballot information booklet prepared pursuant to section 1-40-124.5, which updates the department
shall expeditiously provide to the director of research, in the ballot information booklet.

(V) (B) This subsection (13)(b) is repealed, effective January 1, 2021, January 1, 2022, if a majority of the electors voting on the ballot issue in subsection (13)(b)(III) of this section vote "No/Against".

(C) This subsection (13)(b)(V) is repealed, effective January 1, 2021, January 1, 2022, if a majority of the electors voting on the ballot issue in subsection (13)(b)(III) of this section vote "Yes/For".

SECTION 6. In Colorado Revised Statutes, 43-4-714, amend (2)(a) and (3) as follows:

43-4-714. Use of note proceeds - repeal. (2)(a) The transportation revenue anticipation notes reserve account is hereby created in the state highway fund. The state treasurer shall credit a portion of the money transferred from the general fund to the state highway fund pursuant to section 24-75-219 (5)(c)(IV)(A) to the reserve account as follows:

(I) On June 30, 2021, fifty-nine million seven thousand five hundred dollars; and

(II) On June 30, 2022, fifty-nine million seven thousand five hundred dollars.

(3)(a) This section is repealed:

(I) (Deleted by amendment, L. 2019.)

(II) Effective January 1, 2021, January 1, 2022, if a ballot issue that authorizes the state to issue transportation revenue anticipation notes is submitted to the registered electors of the state for their approval or
rejection at the November 2020 general election pursuant to section 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue vote "No/Against".

(b) This subsection (3) is repealed, effective January 1, 2021 January 1, 2022, if a ballot issue that authorizes the state to issue transportation revenue anticipation notes is submitted to the registered electors of the state for their approval or rejection at the November 2020 general election pursuant to section 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue vote "Yes/For".

SECTION 7. Appropriation - adjustments to 2020 long bill.

(1) To implement this act, appropriations made in the annual general appropriation act to the department of treasury for S.B. 17-267 collateralization lease purchase payments for the 2020-21 state fiscal year are adjusted as follows:

(a) The general fund appropriation is decreased by $12,000,000; and

(b) The cash funds appropriation from various cash funds under the control of the transportation commission pursuant to Section 24-82-1303 (2)(d)(II), C.R.S., is increased by $12,000,000.

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