

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 24-1193.01 Sarah Lozano x3858

SENATE BILL 24-230

SENATE SPONSORSHIP

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Senate Committees

Finance
Appropriations

House Committees

Finance
Appropriations

A BILL FOR AN ACT

101 **CONCERNING SUPPORT FOR STATEWIDE REMEDIATION SERVICES THAT**
102 **POSITIVELY IMPACT THE ENVIRONMENT.**

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>.)

The bill requires the clean transit enterprise (enterprise) to impose a production fee for clean transit (production fee for clean transit) to be paid quarterly by every producer of oil and gas in the state (producer). The production fee for clean transit applies to all oil and gas produced by the producer in the state on and after July 1, 2025.

No later than one week after October 1, 2025, and no later than

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

HOUSE
2nd Reading Unamended
May 5, 2024

SENATE
3rd Reading Unamended
May 4, 2024

SENATE
Amended 2nd Reading
May 3, 2024

one week after the first day of each calendar quarter thereafter, the energy and carbon management commission (commission) must calculate the average Henry Hub natural gas spot price reported by the United States energy information administration (average gas spot price) and average west Texas intermediate spot price reported by the United States energy information administration (average oil spot price) for the previous quarter and publish the average gas spot price and average oil spot price on the commission's website.

No later than one month after the commission publishes the average gas spot price and average oil spot price on the commission's website, the enterprise must set the production fee amounts for the previous calendar quarter, which are determined by the enterprise based on the average gas spot price and average oil spot price calculated by the commission; notify the executive director of the department of revenue (executive director) of the production fee amounts set; and publish the production fee amounts on the enterprise's website. Prior to adopting the production fee amounts, the enterprise must consult with the commission on the production fee amounts.

On or before the last day of the second month following the previous calendar quarter, every producer must file a return and pay the production fee for clean transit for the previous calendar quarter to the department of revenue in accordance with applicable department of revenue procedures. The state treasurer must first credit the costs to the department of revenue for administering the production fees for clean transit and then credit the remaining production fees for clean transit in the following manner:

- 70% to the local transit operations cash fund to be used for expanding local transit service and prioritizing transit improvements in certain communities;
- 10% to the local transit grant program cash fund to be used for providing competitive grants to certain eligible entities for expenses associated with providing public transportation; and
- 20% to the rail funding program cash fund to be used for passenger rail projects and service.

No later than March 1, 2030, and every fifth March 1 thereafter, the enterprise must complete an analysis of the production fee amounts and post the analysis on the enterprise's website.

The bill also requires the regional transportation district to prioritize completion of the northwest rail line to Longmont and the north lines of the transportation expansion plan adopted by the regional transportation board (plan). On or before July 1, 2025, the regional transportation district is also required to submit a report to the governor and the general assembly that demonstrates how the regional transportation district will fulfill certain commitments made in the plan.

The bill also requires the division of parks and wildlife (division) to impose a production fee for wildlife and land remediation (production fee for wildlife and land remediation) to be paid quarterly by every producer of oil and gas in the state (producer). The production fee for wildlife and land remediation applies to all oil and gas produced by the producer in the state on and after July 1, 2025.

No later than one month after the commission publishes the average gas spot price and average oil spot price on the commission's website, the division must set the production fee amounts for the previous calendar quarter, which are determined by the division based on the average gas spot price and average oil spot price calculated by the commission; notify the executive director of the production fee amounts set; and publish the production fee amounts on the division's website. Prior to adopting the production fee amounts, the division must consult with the commission on the production fee amounts.

On or before the last day of the second month following the previous calendar quarter, every producer must file a return and pay the production fee for wildlife and land remediation for the previous calendar quarter to the department of revenue in accordance with applicable department of revenue administrative procedures. The state treasurer must credit the production fees for wildlife and land remediation in the following manner:

- First, the costs to the department of revenue for administering the production fees for wildlife and land remediation are credited to the department of revenue; and
- Second, the remaining amount of production fees for wildlife and land remediation are credited to the climate resilient wildlife and land cash fund to be used for certain wildlife and land remediation purposes.

No later than March 1, 2030, and every fifth March 1 thereafter, the division must complete an analysis of the production fee amounts and post the analysis on the division's website.

Along with publishing the average gas spot price and average oil spot price on the commission's website, the commission is required to routinely provide written guidance to the enterprise and the division on factors relevant to the production fee amounts for the production fee for clean transit and the production fee for wildlife and land remediation.

The bill also establishes:

- Certain department of revenue administrative procedures, including certain registration and return filing requirements, for the collection of the production fees for clean transit and the production fees for wildlife and land remediation;
- A petty offense and civil penalty for a producer's failure to register with the department of revenue; and

- The accrual of interest and penalties for a producer's failure to pay or correctly account for any production fees for wildlife and land remediation or production fees for clean transit or to keep complete and accurate records.

If a constitutional amendment is adopted at the 2024 statewide general election that requires voter approval of fees assessed for the purpose of funding mass transportation, the bill creates certain definitions that apply to the constitutional amendment.

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

2 **SECTION 1.** In Colorado Revised Statutes, 43-4-1201, **amend**
3 (2)(a), (2)(b), (2)(e) introductory portion, (2)(e)(II), and (2)(f); and **add**
4 (1.5), (2)(c.5), and (2)(g) as follows:

5 **43-4-1201. Legislative declaration.** (1.5) THE GENERAL
6 ASSEMBLY FURTHER FINDS AND DECLARES THAT:

7 (a) SCIENTIFIC AND GOVERNMENT AGENCY STUDIES, INCLUDING
8 THE NATIONAL CLIMATE ASSESSMENT AND THE "COLORADO GREENHOUSE
9 GAS POLLUTION REDUCTION ROADMAP", PUBLISHED BY THE COLORADO
10 ENERGY OFFICE AND DATED JANUARY 14, 2021, CONFIRM THAT OIL AND
11 GAS OPERATIONS CAN CREATE SIGNIFICANT ENVIRONMENTAL AND OTHER
12 ADVERSE IMPACTS, INCLUDING GREENHOUSE GAS EMISSIONS THAT
13 CONTRIBUTE TO CLIMATE CHANGE AND EMISSIONS OF LOCAL AIR
14 POLLUTANTS THAT ARE OZONE PRECURSORS;

15 (b) ACCORDING TO MODELING CONDUCTED BY THE DIVISION OF
16 ADMINISTRATION IN THE DEPARTMENT OF PUBLIC HEALTH AND
17 ENVIRONMENT IN 2023, OIL AND GAS DEVELOPMENT IS THE LEADING
18 ANTHROPOGENIC SOURCE OF OZONE PRECURSORS IN COLORADO'S OZONE
19 NONATTAINMENT AREAS AND IS RESPONSIBLE FOR FORTY-ONE PERCENT OF
20 VOLATILE ORGANIC COMPOUND EMISSIONS AND FORTY-FIVE PERCENT OF
21 NITROGEN OXIDE EMISSIONS;

1 (c) THE ADVERSE IMPACTS OF OIL AND GAS PRODUCTION AFFECT
2 BOTH URBAN AND RURAL COMMUNITIES, JUSTIFYING INVESTMENT IN
3 TRANSIT SERVICE IMPROVEMENTS IN COMMUNITIES ACROSS THE STATE TO
4 REDUCE LOCAL POLLUTANTS AND GREENHOUSE GAS EMISSIONS AND
5 BENEFIT DISPROPORTIONATELY IMPACTED COMMUNITIES;

6 (d) THE OIL AND GAS INDUSTRY IS THE THIRD LARGEST SOURCE OF
7 GREENHOUSE GAS EMISSIONS IN THE STATE;

8 (e) IN THE 2019 LEGISLATIVE SESSION, THE GENERAL ASSEMBLY
9 PASSED HOUSE BILL 19-1261, WHICH RECOGNIZED THAT CLIMATE CHANGE
10 ADVERSELY AFFECTS COLORADO'S ECONOMY, AIR QUALITY, PUBLIC
11 HEALTH, ECOSYSTEMS, NATURAL RESOURCES, AND QUALITY OF LIFE AND
12 SET SCIENCE-BASED GOALS OF REDUCING STATEWIDE GREENHOUSE GAS
13 POLLUTION, FROM 2005 LEVELS, BY TWENTY-SIX PERCENT BY 2025, FIFTY
14 PERCENT BY 2030, AND NINETY PERCENT BY 2050. THROUGH SENATE BILL
15 23-016, ENACTED IN 2023, THE GENERAL ASSEMBLY UPDATED THESE
16 GOALS TO ACHIEVE NET-ZERO GREENHOUSE GAS EMISSIONS BY 2050 WITH
17 INTERIM REDUCTION GOALS OF SIXTY-FIVE PERCENT BY 2035,
18 SEVENTY-FIVE PERCENT BY 2040, AND NINETY PERCENT BY 2045,
19 MEASURED AGAINST 2005 STATEWIDE GREENHOUSE GAS POLLUTION
20 LEVELS.

21 (f) ACCORDING TO THE "COLORADO GREENHOUSE GAS POLLUTION
22 REDUCTION ROADMAP 2.0", PUBLISHED BY THE COLORADO ENERGY
23 OFFICE IN FEBRUARY 2024, CURRENT POLICY AND FUTURE COMMITMENTS
24 THROUGH 2026 ALONE ARE UNLIKELY TO ACHIEVE THE STATE'S 2025 AND
25 2030 GREENHOUSE GAS EMISSION REDUCTION GOALS WITHOUT FURTHER
26 ACTIONS TO REDUCE EMISSIONS ASSOCIATED WITH TRANSPORTATION, AND
27 THE ROADMAP'S LIST OF NEAR-TERM ACTIONS NECESSARY TO MEET THOSE

1 GOALS INCLUDES POLICIES AND PROGRAMS THAT EXPAND AND INCREASE
2 PUBLIC TRANSIT SERVICE, PASSENGER RAIL SERVICE, AND RIDERSHIP;

3 (g) REDUCING VEHICLE TRIPS BY ENCOURAGING THE USE OF PUBLIC
4 TRANSIT HELPS TO LOWER OZONE-FORMING AND GREENHOUSE GAS
5 EMISSIONS. ACCORDING TO "AN UPDATE ON PUBLIC TRANSPORTATION'S
6 IMPACTS ON GREENHOUSE GAS EMISSIONS", PUBLISHED BY THE NATIONAL
7 ACADEMIES OF SCIENCES, ENGINEERING, AND MEDICINE IN 2021,
8 COLORADO TRANSIT AGENCIES OPERATING IN DENVER, FORT COLLINS,
9 COLORADO SPRINGS, GREELEY, AND PUEBLO COLLECTIVELY REDUCED SIX
10 HUNDRED TWENTY-FOUR THOUSAND NINE HUNDRED FORTY-TWO METRIC
11 TONS OF GREENHOUSE GAS EMISSIONS IN 2018.

12 (h) POLICY DIRECTIVE 1610.0, PUBLISHED BY THE COLORADO
13 DEPARTMENT OF TRANSPORTATION AND EFFECTIVE MAY 19, 2022,
14 ESTIMATES TWENTY-THREE METRIC TONS OF GREENHOUSE GAS EMISSION
15 REDUCTIONS FOR EVERY ONE THOUSAND ADDITIONAL
16 VEHICLE-REVENUE-HOURS OF NEW TRANSIT SERVICE DELIVERED BY A
17 ZERO-EMISSION VEHICLE AND EIGHTEEN METRIC TONS FOR EVERY ONE
18 THOUSAND ADDITIONAL VEHICLE-REVENUE-HOURS OF NEW TRANSIT
19 SERVICE DELIVERED BY A DIESEL-POWERED VEHICLE;

20 (i) ACCORDING TO THE "ZERO FARE FOR BETTER AIR 2023
21 EVALUATION REPORT", PUBLISHED BY THE REGIONAL TRANSPORTATION
22 DISTRICT ON NOVEMBER 30, 2023, THE TWO-MONTH ZERO FARE FOR
23 BETTER AIR PROGRAM RESULTED IN A TWELVE PERCENT INCREASE IN
24 RIDERSHIP AND A TOTAL REDUCTION OF NINE MILLION FOURTEEN
25 THOUSAND THREE HUNDRED SEVENTY VEHICLE MILES TRAVELED, TWO
26 THOUSAND FIVE HUNDRED EIGHTY-THREE POUNDS OF VOLATILE ORGANIC
27 COMPOUNDS, TWO THOUSAND THREE HUNDRED EIGHTY-FIVE POUNDS OF

1 NITROUS OXIDES, AND SIX MILLION ONE HUNDRED SIXTY-ONE THOUSAND
2 SEVEN HUNDRED SEVENTY-TWO POUNDS OF GREENHOUSE GAS EMISSIONS,
3 WHICH DEMONSTRATES A DIRECT RELATIONSHIP BETWEEN INCREASED
4 TRANSIT RIDERSHIP AND REDUCED AIR POLLUTION AND GREENHOUSE GAS
5 EMISSIONS;

6 (j) NUMEROUS STUDIES HAVE FOUND THAT, IN ADDITION TO THE
7 DIRECT IMPACT ON POLLUTION DUE TO REPLACING INDIVIDUAL VEHICLE
8 TRIPS WITH TRIPS ON TRANSIT, THERE ARE LARGE ADDITIONAL IMPACTS
9 THAT COME FROM THE INDIRECT EFFECT THAT TRANSIT HAS ON ENABLING
10 MORE DENSE LAND USE NEAR TRANSIT STOPS AND STATIONS, WHICH
11 REDUCES TRIP LENGTHS AND INCREASES THE SHARE OF TRIPS TAKEN BY
12 WALKING, BICYCLING, AND USING TRANSIT. FOR EXAMPLE, "AN UPDATE
13 ON PUBLIC TRANSIT'S IMPACTS ON GREENHOUSE GAS EMISSIONS",
14 PUBLISHED IN 2021 BY THE NATIONAL ACADEMIES OF SCIENCES,
15 ENGINEERING, AND MEDICINE, FOUND THAT THE INDIRECT IMPACTS OF
16 TRANSIT INCREASED THE EMISSION REDUCTIONS BY AN AMOUNT MORE
17 THAN SEVEN TIMES LARGER THAN THE DIRECT REDUCTIONS.

18 (k) TO MITIGATE SOME OF THE ADVERSE ENVIRONMENTAL AND
19 HEALTH IMPACTS OF AIR POLLUTION AND GREENHOUSE GAS EMISSIONS
20 CAUSED BY OIL AND GAS OPERATIONS, IT IS NECESSARY, APPROPRIATE,
21 EQUITABLE, AND IN THE BEST INTEREST OF ALL COLORADANS TO IMPOSE
22 FEES ON OIL AND GAS PRODUCED IN THE STATE.

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

24 (a) In order to incentivize, support, and accelerate the
25 electrification AND AVAILABILITY of public transit and thereby reap the
26 environmental, health, business, and operational efficiency benefits of
27 electrification AND WIDER AVAILABILITY OF PUBLIC TRANSIT, it is

1 necessary, appropriate, and in the best interest of the state to create a
2 clean transit enterprise that can provide specialized remediation and other
3 services that help public transit providers fund ~~both~~ the construction of
4 the charging infrastructure needed to support electrification, ~~and~~ the
5 acquisition of electric motor vehicles, AND THE REMEDIATION SERVICES
6 DESCRIBED IN SECTION 43-4-1204;

7 (b) The specific focus of the enterprise is the equitable reduction
8 and mitigation of the adverse environmental and health impacts of air
9 pollution and greenhouse gas emissions through incentivization, support,
10 and acceleration of the electrification of public transit in rural and urban
11 areas throughout the state AND THROUGH THE IMPLEMENTATION OF THE
12 REMEDIATION SERVICES DESCRIBED IN SECTION 43-4-1204;

13 (c.5) THE ENTERPRISE PROVIDES THE REMEDIATION SERVICES
14 DESCRIBED IN SECTION 43-4-1204 IN EXCHANGE FOR PAYMENT OF THE
15 PRODUCTION FEES FOR CLEAN TRANSIT, WHICH ARE USED TO PARTIALLY
16 MITIGATE THE IMPACTS OF OIL AND GAS OPERATIONS ON THE
17 ENVIRONMENT THROUGH THE IMPLEMENTATION OF ACTIONS RELATED TO
18 PUBLIC TRANSIT, INCLUDING INVESTMENT IN PUBLIC TRANSIT TO ACHIEVE
19 THE LEVEL OF FREQUENT, CONVENIENT, AND RELIABLE TRANSIT THAT IS
20 KNOWN TO INCREASE TRANSIT RIDERSHIP BY REPLACING CAR TRIPS WITH
21 BUS AND RAIL TRIPS;

22 (e) Consistent with the determination of the Colorado supreme
23 court in *Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859 (Colo.
24 1995), that the power to impose taxes is inconsistent with enterprise status
25 under section 20 of article X of the state constitution, it is the conclusion
26 of the general assembly that the revenue collected by the enterprise is
27 generated by fees, not taxes, because the clean transit retail delivery fee

1 imposed by the enterprise as authorized by section 43-4-1203 (7) ~~is~~ AND
2 THE PRODUCTION FEE FOR CLEAN TRANSIT ARE:

3 (II) Collected at rates that are reasonably calculated based on the
4 impacts caused by fee payers and the cost of remediating those impacts;
5 ~~and~~

6 (f) So long as the enterprise qualifies as an enterprise for purposes
7 of section 20 of article X of the state constitution, the revenue from the
8 clean transit retail delivery fee collected by the enterprise is not state
9 fiscal year spending, as defined in section 24-77-102 (17), or state
10 revenues, as defined in section 24-77-103.6 (6)(c), and does not count
11 against either the state fiscal year spending limit imposed by section 20
12 of article X of the state constitution or the excess state revenues cap, as
13 defined in section 24-77-103.6 (6)(b)(I)(D); AND

14 (g) THE ADDITION OF THE PRODUCTION FEE FOR CLEAN TRANSIT
15 CONTINUES TO SERVE THE ENTERPRISE'S PRIMARY BUSINESS PURPOSES SET
16 FORTH IN SECTION 43-4-1203 (3)(a). IF THE ADDITION OF THE PRODUCTION
17 FEE FOR CLEAN TRANSIT COMBINED WITH THE CLEAN TRANSIT RETAIL
18 DELIVERY FEE IS ESTIMATED TO RESULT IN THE COLLECTION OF FEES AND
19 SURCHARGES THAT EXCEED ONE HUNDRED MILLION DOLLARS IN THE
20 ENTERPRISE'S FIRST FIVE FISCAL YEARS, THE BOARD SHALL ADJUST THE
21 FEES, LOWER THE FEES, OR STOP COLLECTING THE FEES IN ORDER TO NOT
22 COLLECT FEES OR SURCHARGES THAT EXCEED ONE HUNDRED MILLION
23 DOLLARS IN THE ENTERPRISE'S FIRST FIVE FISCAL YEARS, WHICH FIVE-YEAR
24 PERIOD, FOR THE PURPOSE OF SECTION 24-77-108, ENDS ON JUNE 30, 2026.
25 THEREFORE, THE ENTERPRISE, ORIGINALLY CREATED IN SECTION
26 43-4-1203, IS IN COMPLIANCE WITH SECTION 24-77-108.

27 **SECTION 2.** In Colorado Revised Statutes, 43-4-1202, **amend**

1 (1); and **add** (1.5), (7.3), (7.7), (9.5), (9.7), (11.3), (11.7), (12.5), (12.7),
2 (14.3), (14.5), (14.7), and (14.9) as follows:

3 **43-4-1202. Definitions.** As used in this part 12, unless the context
4 otherwise requires:

5 (1) ~~"Battery electric motor vehicle" means a motor vehicle that is~~
6 ~~powered exclusively by a rechargeable battery pack that can be recharged~~
7 ~~by being plugged into an external source of electricity and that has no~~
8 ~~secondary source of propulsion~~ "BARREL" MEANS FORTY-TWO UNITED
9 STATES GALLONS AT SIXTY DEGREES FAHRENHEIT AT ATMOSPHERIC
10 PRESSURE.

11 (1.5) "BATTERY ELECTRIC MOTOR VEHICLE" MEANS A MOTOR
12 VEHICLE THAT IS POWERED EXCLUSIVELY BY A RECHARGEABLE BATTERY
13 PACK THAT CAN BE RECHARGED BY BEING PLUGGED INTO AN EXTERNAL
14 SOURCE OF ELECTRICITY AND THAT HAS NO SECONDARY SOURCE OF
15 PROPULSION.

16 (7.3) "ELIGIBLE ENTITY" MEANS A LOCAL GOVERNMENT, LOCAL OR
17 REGIONAL TRANSIT DISTRICT, REGIONAL TRANSPORTATION AUTHORITY
18 SERVING ONE OR MORE COUNTIES, OR NONPROFIT ORGANIZATION THAT
19 PROVIDES PUBLIC TRANSIT.

20 (7.7) "ELIGIBLE OPERATING EXPENSES" MEANS ALL OPERATING
21 EXPENSES REQUIRED FOR PUBLIC TRANSPORTATION, INCLUDING EMPLOYEE
22 WAGES AND BENEFITS, MATERIALS, FUELS, SUPPLIES, FACILITIES, RENTAL
23 OF FACILITIES, AND ANY OTHER EXPENDITURE THAT DIRECTLY SUPPORTS
24 THE EXPANSION OF TRANSIT SERVICE.

25 (9.5) "GAS" HAS THE MEANING SET FORTH IN SECTION 34-60-103
26 AND INCLUDES NATURAL GAS LIQUIDS.

27 (9.7) "GAS SPOT PRICE" MEANS THE HENRY HUB NATURAL GAS

1 SPOT PRICE AS REPORTED BY THE UNITED STATES ENERGY INFORMATION
2 ADMINISTRATION OR A SUCCESSOR PRICE INDEX SELECTED BY THE ENERGY
3 AND CARBON MANAGEMENT COMMISSION CREATED IN SECTION
4 34-60-104.3.

5 (11.3) "MCF" MEANS ONE THOUSAND CUBIC FEET.

6 (11.7) "MMBTU" MEANS ONE MILLION BRITISH THERMAL UNITS.

7 (12.5) "OIL" HAS THE MEANING SET FORTH IN SECTION 34-60-103.

8 (12.7) "OIL SPOT PRICE" MEANS THE WEST TEXAS INTERMEDIATE
9 SPOT PRICE AS REPORTED BY THE UNITED STATES ENERGY INFORMATION
10 ADMINISTRATION OR A SUCCESSOR PRICE INDEX SELECTED BY THE ENERGY
11 AND CARBON MANAGEMENT COMMISSION.

12 (14.3) "PRODUCER" HAS THE MEANING SET FORTH IN SECTION
13 34-60-103.

14 (14.5) "PRODUCTION FEE AMOUNTS" MEANS:

15 (a) FOR OIL, IF THE AVERAGE OIL SPOT PRICE FOR THE CALENDAR
16 QUARTER IN WHICH THE PRODUCTION FEE FOR CLEAN TRANSIT IS BEING
17 ASSESSED IS:

18 (I) FORTY DOLLARS PER BARREL OF OIL OR LESS, AN AMOUNT
19 DETERMINED BY THE ENTERPRISE, WITH A MAXIMUM AMOUNT OF FOUR
20 CENTS PER BARREL OF OIL;

21 (II) GREATER THAN FORTY DOLLARS BUT LESS THAN OR EQUAL TO
22 FIFTY DOLLARS PER BARREL OF OIL, AN AMOUNT DETERMINED BY THE
23 ENTERPRISE, WITH A MAXIMUM AMOUNT OF TWELVE CENTS PER BARREL
24 OF OIL;

25 (III) GREATER THAN FIFTY DOLLARS BUT LESS THAN OR EQUAL TO
26 SIXTY DOLLARS PER BARREL OF OIL, AN AMOUNT DETERMINED BY THE
27 ENTERPRISE, WITH A MAXIMUM AMOUNT OF TWENTY-FOUR CENTS PER

1 BARREL OF OIL; AND

2 (IV) GREATER THAN SIXTY DOLLARS PER BARREL OF OIL, AN
3 AMOUNT DETERMINED BY THE ENTERPRISE, WHICH AMOUNT MUST ONLY
4 INCREASE AT A MAXIMUM RATE OF TWELVE CENTS FOR EACH TEN
5 DOLLARS, OR FRACTION OF TEN DOLLARS, BY WHICH THE AVERAGE OIL
6 SPOT PRICE EXCEEDS SIXTY DOLLARS PER BARREL OF OIL; AND

7 (b) FOR GAS, IF THE AVERAGE GAS SPOT PRICE FOR THE CALENDAR
8 QUARTER IN WHICH THE PRODUCTION FEE FOR CLEAN TRANSIT IS BEING
9 ASSESSED IS:

10 (I) ONE DOLLAR AND FORTY CENTS PER MMBTU OF GAS OR LESS,
11 AN AMOUNT DETERMINED BY THE ENTERPRISE, WITH A MAXIMUM AMOUNT
12 OF 0.16 CENTS PER MCF OF GAS;

13 (II) GREATER THAN ONE DOLLAR AND FORTY CENTS BUT LESS
14 THAN OR EQUAL TO ONE DOLLAR AND EIGHTY CENTS PER MMBTU OF GAS,
15 AN AMOUNT DETERMINED BY THE ENTERPRISE, WITH A MAXIMUM AMOUNT
16 OF 0.64 CENTS PER MCF OF GAS;

17 (III) GREATER THAN ONE DOLLAR AND EIGHTY CENTS BUT LESS
18 THAN OR EQUAL TO TWO DOLLARS AND TWENTY CENTS PER MMBTU OF
19 GAS, AN AMOUNT DETERMINED BY THE ENTERPRISE, WITH A MAXIMUM
20 AMOUNT OF 1.12 CENTS PER MCF OF GAS; AND

21 (IV) GREATER THAN TWO DOLLARS AND TWENTY CENTS PER
22 MMBTU OF GAS, AN AMOUNT DETERMINED BY THE ENTERPRISE, WHICH
23 AMOUNT MUST ONLY INCREASE AT A MAXIMUM RATE OF 0.48 CENTS FOR
24 EACH FORTY CENTS, OR FRACTION OF FORTY CENTS, BY WHICH THE
25 AVERAGE GAS SPOT PRICE EXCEEDS TWO DOLLARS AND TWENTY CENTS
26 PER MMBTU OF GAS.

27 (14.7) "PRODUCTION FEE FOR CLEAN TRANSIT" OR "PRODUCTION

1 FEES FOR CLEAN TRANSIT" MEANS THE PRODUCTION FEE FOR CLEAN
2 TRANSIT IMPOSED BY THE ENTERPRISE PURSUANT TO SECTION 43-4-1204
3 (1).

4 (14.9) "PRODUCTION FEE FOR WILDLIFE AND LAND REMEDIATION"
5 OR "PRODUCTION FEES FOR WILDLIFE AND LAND REMEDIATION" MEANS
6 THE PRODUCTION FEE FOR WILDLIFE AND LAND REMEDIATION IMPOSED BY
7 THE DIVISION OF PARKS AND WILDLIFE PURSUANT TO SECTION 33-61-103.

8 **SECTION 3.** In Colorado Revised Statutes, 43-4-1203, **amend**
9 (1)(a) and (3) as follows:

10 **43-4-1203. Clean transit enterprise - creation - board - powers**
11 **and duties - rules - fees - fund.** (1) (a) The clean transit enterprise is
12 created in the department. The enterprise is and operates as a
13 government-owned business within the department in order to execute its
14 business ~~purpose~~ PURPOSES as specified in ~~subsection (3)~~ SUBSECTION
15 (3)(a) of this section by exercising the powers and performing the duties
16 and functions set forth in this section.

17 (3) (a) The primary business ~~purpose~~ PURPOSES of the enterprise
18 ~~is~~ ARE to:

19 (I) Reduce and mitigate the adverse environmental and health
20 impacts of air pollution and greenhouse gas emissions produced by motor
21 vehicles used to make retail deliveries by supporting the replacement of
22 existing gasoline and diesel transit vehicles with electric motor vehicles,
23 including motor vehicles that originally were powered exclusively by
24 internal combustion engines but have been converted into electric motor
25 vehicles; providing the associated charging infrastructure for electric
26 transit fleet motor vehicles; supporting facility modifications that allow
27 for the safe operation and maintenance of electric transit motor vehicles;

1 and funding planning studies that enable transit agencies to plan for
2 transit vehicle electrification; AND

3 (II) REDUCE AND MITIGATE THE ADVERSE ENVIRONMENTAL AND
4 HEALTH IMPACTS OF AIR POLLUTION AND GREENHOUSE GAS EMISSIONS
5 PRODUCED BY OIL AND GAS DEVELOPMENT BY INVESTING IN PUBLIC
6 TRANSIT, INCLUDING VEHICLES, INFRASTRUCTURE, EQUIPMENT,
7 MATERIALS, SUPPLIES, MAINTENANCE, AND OPERATIONS AND STAFFING, TO
8 ACHIEVE THE LEVEL OF FREQUENT, CONVENIENT, AND RELIABLE TRANSIT
9 THAT IS KNOWN TO INCREASE RIDERSHIP BY REPLACING CAR TRIPS WITH
10 BUS AND RAIL TRIPS AND FORMS OF TRANSIT KNOWN TO SUPPORT DENSER
11 LAND USE PATTERNS THAT FURTHER REDUCE POLLUTION DUE TO SHORTER
12 TRIP LENGTHS AND GREATER WALKING AND CYCLING MODE SHARE.

13 (b) To allow the enterprise to accomplish ~~this~~ THE business
14 ~~purpose~~ PURPOSES DESCRIBED IN SUBSECTION (3)(a) OF THIS SECTION and
15 fully exercise its powers and duties through the board, the enterprise may:

16 (a) (I) Impose a clean transit retail delivery fee as authorized by
17 subsection (7) of this section;

18 (II) IMPOSE THE PRODUCTION FEE FOR CLEAN TRANSIT AS
19 AUTHORIZED BY SECTION 43-4-1204;

20 (b) (III) Issue grants and provide loans and rebates as authorized
21 by subsection (8) of this section; and

22 (IV) IMPLEMENT THE REMEDIATION SERVICES DESCRIBED IN
23 SECTION 43-4-1204; AND

24 (c) (V) Issue revenue bonds payable from the revenue and other
25 available money of the enterprise.

26 **SECTION 4.** In Colorado Revised Statutes, **add** 43-4-1204 as
27 follows:

1 **43-4-1204. Production fee for clean transit imposed by the**
2 **enterprise - local transit operations program - local transit grant**
3 **program - rail funding program - cash funds - report.** (1) (a) IN
4 FURTHERANCE OF ITS BUSINESS PURPOSE PURSUANT TO SECTION 43-4-1203
5 (3)(a)(II), THE ENTERPRISE SHALL IMPOSE A PRODUCTION FEE FOR CLEAN
6 TRANSIT TO BE PAID QUARTERLY BY EVERY PRODUCER THAT APPLIES TO
7 ALL OIL AND GAS PRODUCED BY THE PRODUCER IN THE STATE ON AND
8 AFTER JULY 1, 2025.

9 (b) (I) NO LATER THAN ONE WEEK AFTER OCTOBER 1, 2025, AND
10 NO LATER THAN ONE WEEK AFTER THE FIRST DAY OF EACH CALENDAR
11 QUARTER THEREAFTER, THE ENERGY AND CARBON MANAGEMENT
12 COMMISSION, CREATED IN SECTION 34-60-104.3 (1), SHALL CALCULATE,
13 INCLUDING PERFORMING ANY NECESSARY MEASUREMENT UNIT
14 CONVERSIONS TO CALCULATE, THE AVERAGE OIL SPOT PRICE AND THE
15 AVERAGE GAS SPOT PRICE FOR THE PREVIOUS CALENDAR QUARTER AND
16 PUBLISH THE AVERAGE OIL SPOT PRICE AND AVERAGE GAS SPOT PRICE ON
17 THE ENERGY AND CARBON MANAGEMENT COMMISSION'S WEBSITE. THE
18 ENERGY AND CARBON MANAGEMENT COMMISSION SHALL ROUTINELY
19 PROVIDE WRITTEN GUIDANCE TO THE ENTERPRISE ON FACTORS RELEVANT
20 TO THE PRODUCTION FEE AMOUNTS, INCLUDING GUIDANCE ON THE
21 CURRENT CONDITION OF THE OIL AND GAS MARKET AND THE MARKET'S
22 SENSITIVITY TO HIGHER OR LOWER PRODUCTION FEE AMOUNTS. IN
23 PREPARING THE WRITTEN GUIDANCE, THE ENERGY AND CARBON
24 MANAGEMENT COMMISSION SHALL:

25 (A) TAKE INTO CONSIDERATION EMERGENCIES, NATIONAL
26 SECURITY NEEDS, EXTREME MARKET DISRUPTIONS, AND EXTREME NEW
27 REGULATORY BURDENS ON PRODUCERS; AND

1 (B) NOT ACT IN AN ARBITRARY AND CAPRICIOUS MANNER.

2 (II) NO LATER THAN ONE MONTH AFTER THE ENERGY AND CARBON
3 MANAGEMENT COMMISSION PUBLISHES THE AVERAGE OIL SPOT PRICE AND
4 THE AVERAGE GAS SPOT PRICE FOR THE PREVIOUS CALENDAR QUARTER ON
5 THE ENERGY AND CARBON MANAGEMENT COMMISSION'S WEBSITE
6 PURSUANT TO SUBSECTION (1)(b)(I) OF THIS SECTION, THE ENTERPRISE
7 SHALL SET THE PRODUCTION FEE AMOUNTS APPLICABLE TO THE PREVIOUS
8 CALENDAR QUARTER, NOTIFY THE EXECUTIVE DIRECTOR OF THE
9 DEPARTMENT OF REVENUE OF THE PRODUCTION FEE AMOUNTS SET, AND
10 PUBLISH THE PRODUCTION FEE AMOUNTS ON THE ENTERPRISE'S WEBSITE.
11 PRIOR TO ADOPTING THE PRODUCTION FEE AMOUNTS, THE ENTERPRISE
12 SHALL CONSULT WITH THE ENERGY AND CARBON MANAGEMENT
13 COMMISSION ON THE APPROPRIATE PRODUCTION FEE AMOUNTS FOR THE
14 PREVIOUS QUARTER AND TAKE INTO ACCOUNT THE MAXIMUM AMOUNTS
15 DESCRIBED IN SECTION 43-4-1202 AND OTHER RELEVANT MARKET
16 FACTORS.

17 (III) ON OR BEFORE THE LAST DAY OF THE SECOND MONTH
18 FOLLOWING THE PREVIOUS CALENDAR QUARTER, EVERY PRODUCER SHALL
19 FILE A RETURN AND PAY THE PRODUCTION FEE FOR CLEAN TRANSIT FOR
20 THE PREVIOUS CALENDAR QUARTER IN ACCORDANCE WITH SECTION
21 33-61-106.

22 (c) (I) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF
23 REVENUE SHALL COLLECT, ADMINISTER, AND ENFORCE THE PRODUCTION
24 FEE FOR CLEAN TRANSIT ON BEHALF OF THE ENTERPRISE IN ACCORDANCE
25 WITH ARTICLE 61 OF TITLE 33 AND ARTICLE 21 OF TITLE 39.

26 (II) FOR THE PURPOSE OF MINIMIZING COMPLIANCE COSTS FOR
27 PRODUCERS AND ADMINISTRATIVE COSTS FOR THE STATE, WHEN THE

1 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE COLLECTS THE
2 PRODUCTION FEE FOR CLEAN TRANSIT, THE EXECUTIVE DIRECTOR OF THE
3 DEPARTMENT OF REVENUE SHALL ALSO COLLECT THE PRODUCTION FEE FOR
4 WILDLIFE AND LAND REMEDIATION IN THE SAME MANNER.

5 (d) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
6 SHALL TRANSMIT ANY PRODUCTION FEES FOR CLEAN TRANSIT COLLECTED
7 PURSUANT TO SUBSECTION (1)(c) OF THIS SECTION TO THE STATE
8 TREASURER, WHO SHALL CREDIT:

9 (I) FIRST, THE COSTS TO THE DEPARTMENT OF REVENUE FOR
10 ADMINISTERING THE PRODUCTION FEES FOR CLEAN TRANSIT PURSUANT TO
11 SECTION 33-61-104, WHICH SHALL BE CREDITED TO THE OIL AND GAS
12 PRODUCTION FEES COLLECTION FUND CREATED IN SECTION 33-61-104(1);
13 AND

14 (II) SECOND, OF THE AMOUNT OF THE PRODUCTION FEES FOR
15 CLEAN TRANSIT REMAINING:

16 (A) SEVENTY PERCENT TO THE LOCAL TRANSIT OPERATIONS CASH
17 FUND CREATED IN SUBSECTION (3)(a) OF THIS SECTION;

18 (B) TEN PERCENT TO THE LOCAL TRANSIT GRANT PROGRAM CASH
19 FUND CREATED IN SUBSECTION (4)(a) OF THIS SECTION; AND

20 (C) TWENTY PERCENT TO THE RAIL FUNDING PROGRAM CASH FUND
21 CREATED IN SUBSECTION (5)(a) OF THIS SECTION.

22 (e) ANY MONEY THAT THE DEPARTMENT OF REVENUE COLLECTS
23 AND TRANSMITS TO THE STATE TREASURER PURSUANT TO THIS
24 SUBSECTION (1):

25 (I) IS COLLECTED FOR THE ENTERPRISE;

26 (II) IS CUSTODIAL MONEY INTENDED FOR THE ENTERPRISE AND
27 HELD TEMPORARILY BY THE DEPARTMENT OF REVENUE AND THE STATE

1 TREASURER SOLELY FOR THE PURPOSE OF CREDITING THE MONEY TO THE
2 CASH FUNDS DESCRIBED IN SUBSECTION (1)(d) OF THIS SECTION; AND

3 (III) BASED ON THE ENTERPRISE'S STATUS AS AN ENTERPRISE, IS
4 NOT SUBJECT TO SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION
5 AT ANY TIME DURING ITS COLLECTION, TRANSMISSION, AND USE.

6 (2) NO LATER THAN MARCH 1, 2030, AND EVERY FIFTH MARCH 1
7 THEREAFTER, THE ENTERPRISE SHALL COMPLETE AN ANALYSIS OF THE
8 PRODUCTION FEE AMOUNTS, THE AMOUNT OF REVENUE GENERATED BY
9 THE PRODUCTION FEES FOR CLEAN TRANSIT, AND THE USE OF THE
10 PRODUCTION FEE FOR CLEAN TRANSIT REVENUE IN ORDER TO ENSURE THAT
11 THE ENTERPRISE IS CONTINUING TO IMPOSE PRODUCTION FEE AMOUNTS
12 THAT ARE REASONABLY CALCULATED TO NOT EXCEED THE OVERALL
13 COSTS OF PROVIDING THE REMEDIATION SERVICES DESCRIBED IN THIS
14 SECTION. THE ENTERPRISE SHALL POST THE ANALYSIS ON THE
15 ENTERPRISE'S WEBSITE.

16 (3) (a) THE LOCAL TRANSIT OPERATIONS CASH FUND IS CREATED
17 IN THE STATE TREASURY. THE LOCAL TRANSIT OPERATIONS CASH FUND
18 CONSISTS OF PRODUCTION FEES FOR CLEAN TRANSIT CREDITED TO THE
19 LOCAL TRANSIT OPERATIONS CASH FUND PURSUANT TO SUBSECTION
20 (1)(d)(II)(A) OF THIS SECTION, ANY OTHER MONEY THAT THE GENERAL
21 ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE LOCAL TRANSIT
22 OPERATIONS CASH FUND, AND ANY FEDERAL MONEY OR GIFTS, GRANTS, OR
23 DONATIONS RECEIVED. THE STATE TREASURER SHALL CREDIT ALL
24 INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF
25 MONEY IN THE LOCAL TRANSIT OPERATIONS CASH FUND TO THE LOCAL
26 TRANSIT OPERATIONS CASH FUND. MONEY IN THE LOCAL TRANSIT
27 OPERATIONS CASH FUND IS CONTINUOUSLY APPROPRIATED TO THE

1 ENTERPRISE FOR THE PURPOSES SPECIFIED IN THIS SUBSECTION (3).

2 (b) THE LOCAL TRANSIT OPERATIONS PROGRAM IS CREATED TO:

3 (I) EXPAND TRANSIT SERVICE, INCREASE TRANSIT FREQUENCY,
4 AND IMPROVE SYSTEM-WIDE TRANSIT NETWORK CONNECTIVITY WITH THE
5 GOAL OF MAXIMIZING TRANSIT RIDERSHIP, THEREFORE DECREASING
6 VEHICLE MILES TRAVELED, GREENHOUSE GAS EMISSIONS, AND AIR
7 POLLUTANTS; AND

8 (II) PRIORITIZE TRANSIT SERVICE IMPROVEMENTS IN COMMUNITIES
9 WITH HIGH TRANSIT PROPENSITY, SUCH AS LOW-INCOME COMMUNITIES,
10 COMMUNITIES OF COLOR, COMMUNITIES WITH HIGH-DENSITY
11 POPULATIONS, COMMUNITIES WITH ZONING AND OTHER LOCAL POLICIES
12 THAT SUPPORT HIGHER DENSITIES ALONG TRANSIT LINES, COMMUNITIES
13 WITH LOW VEHICLE OWNERSHIP RATES, THE DISABILITY COMMUNITY,
14 SENIORS, AND OTHER POPULATIONS THAT USE TRANSIT MORE FREQUENTLY
15 THAN THE GENERAL POPULATION.

16 (c) PURSUANT TO THE PURPOSES OF THE LOCAL TRANSIT
17 OPERATIONS PROGRAM, THE ENTERPRISE SHALL ALLOCATE MONEY FROM
18 THE LOCAL TRANSIT OPERATIONS CASH FUND TO ELIGIBLE ENTITIES USING
19 A FORMULA DEVELOPED BY THE BOARD, WHICH SHALL BE BASED ON
20 POPULATION, POPULATION DENSITY, LOCAL ZONING, TRANSIT RIDERSHIP,
21 VEHICLE REVENUE MILES, SHARE OF DISPROPORTIONATELY IMPACTED
22 COMMUNITY POPULATION, AND OTHER TRANSIT-RELATED CRITERIA. AN
23 ELIGIBLE ENTITY THAT IS AWARDED MONEY FROM THE LOCAL TRANSIT
24 OPERATIONS CASH FUND SHALL:

25 (I) PRIOR TO RECEIVING ANY MONEY, SUBMIT THE ELIGIBLE
26 ENTITY'S MOST RECENT SERVICE IMPROVEMENT PLAN OR SYSTEM
27 OPTIMIZATION PLAN TO THE BOARD AND DESCRIBE HOW THE MONEY

1 WOULD BE USED TO EXPAND TRANSIT SERVICE, INCREASE TRANSIT
2 FREQUENCY, IMPROVE SYSTEM-WIDE TRANSIT CONNECTIVITY, AND MEET
3 THE OTHER PURPOSES DESCRIBED IN SUBSECTION (3)(b) OF THIS SECTION;

4 (II) USE THE MONEY FOR ELIGIBLE OPERATING EXPENSES; AND

5 (III) USE THE ENTIRETY OF THE MONEY NO LATER THAN TWO
6 YEARS AFTER THE CONTRACT ALLOCATING THE MONEY IS FINALIZED.

7 (d) AN ELIGIBLE ENTITY AWARDED MONEY PURSUANT TO
8 SUBSECTION (3)(c) OF THIS SECTION THAT PROVIDES SERVICE TO AREAS
9 WITH A POPULATION OF ONE MILLION INDIVIDUALS OR MORE SHALL:

10 (I) IN A FORMAT THAT IS EASY TO ACCESS, UNDERSTAND, AND
11 NAVIGATE:

12 (A) MAKE THE ELIGIBLE ENTITY'S ANNUAL BUDGET OR OTHER
13 INFORMATION RELATED TO THE BUDGET AVAILABLE TO THE PUBLIC ON THE
14 ELIGIBLE ENTITY'S WEBSITE; AND

15 (B) CREATE AND MAKE AVAILABLE TO THE PUBLIC ON THE
16 ELIGIBLE ENTITY'S WEBSITE AN ANNUAL BUDGET OVERVIEW THAT
17 PROVIDES A SINGLE-PAGE SUMMARY OF THE ELIGIBLE ENTITY'S REVENUES
18 AND EXPENSES BY CATEGORY AS SPECIFIED IN THE ELIGIBLE ENTITY'S
19 ANNUAL BUDGET; AND

20 (II) CREATE, MAINTAIN, AND REGULARLY UPDATE THE FOLLOWING
21 ON THE ELIGIBLE ENTITY'S WEBSITE:

22 (A) AN ANNUAL UPDATE REGARDING THE ELIGIBLE ENTITY'S
23 FINANCIAL PLAN THAT INCLUDES A DETAILED REPORT OF ALL THE ELIGIBLE
24 ENTITY'S CAPITAL PROJECTS THAT ARE IN PROGRESS;

25 (B) A QUARTERLY UPDATE REGARDING ALL OF THE ELIGIBLE
26 ENTITY'S CAPITAL PROJECTS THAT ARE IN PROGRESS, INCLUDING A PROJECT
27 SCHEDULE AND PROJECT EXPENDITURE INFORMATION FOR EACH PROJECT;

1 (C) A PUBLIC ACCOUNTABILITY DASHBOARD THAT PROVIDES, AT
2 A MINIMUM, ACCESSIBLE AND TRANSPARENT SUMMARY INFORMATION
3 REGARDING EACH OF THE ELIGIBLE ENTITY'S CAPITAL PROJECTS THAT IS IN
4 PROGRESS; THE FUNDING STATUS OF EACH PROJECT, INCLUDING THE
5 PROJECT'S TOTAL FUNDING AND EXPENDITURES TO DATE; AND THE
6 ELIGIBLE ENTITY'S PROGRESS TOWARD THE COMPLETION OF EACH PROJECT;

7 (D) A PUBLIC ACCOUNTABILITY DASHBOARD THAT SHOWS
8 RIDERSHIP BY ROUTE AND RELIABILITY OF SERVICE;

9 (E) A PUBLIC ACCOUNTABILITY DASHBOARD THAT SHOWS THE
10 ELIGIBLE ENTITY'S WORKFORCE STATISTICS REGARDING EMPLOYEE
11 RETENTION, RECRUITMENT, AND VACANCIES; AND

12 (F) A SUMMARY PAGE FOR PLANNED SERVICE CHANGES THAT
13 INCLUDES DETAILED TIMING CHANGES, EFFECTS ON LOCAL TRANSFERS,
14 AND THE REASONS FOR ANY PLANNED CHANGES.

15 (4) (a) THE LOCAL TRANSIT GRANT PROGRAM CASH FUND IS
16 CREATED IN THE STATE TREASURY. THE LOCAL TRANSIT GRANT PROGRAM
17 CASH FUND CONSISTS OF PRODUCTION FEES FOR CLEAN TRANSIT CREDITED
18 TO THE LOCAL TRANSIT GRANT PROGRAM CASH FUND PURSUANT TO
19 SUBSECTION (1)(d)(II)(B) OF THIS SECTION, ANY OTHER MONEY THAT THE
20 GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE LOCAL
21 TRANSIT GRANT PROGRAM CASH FUND, AND ANY FEDERAL MONEY OR
22 GIFTS, GRANTS, OR DONATIONS RECEIVED. THE STATE TREASURER SHALL
23 CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND
24 INVESTMENT OF MONEY IN THE LOCAL TRANSIT GRANT PROGRAM CASH
25 FUND TO THE LOCAL TRANSIT GRANT PROGRAM CASH FUND. MONEY IN THE
26 LOCAL TRANSIT GRANT PROGRAM CASH FUND IS CONTINUOUSLY
27 APPROPRIATED TO THE ENTERPRISE FOR THE PURPOSES SPECIFIED IN THIS

1 SUBSECTION (4).

2 (b) THE LOCAL TRANSIT GRANT PROGRAM IS CREATED TO
3 INCREASE TRANSIT RIDERSHIP AND SERVICE, PARTICULARLY IN
4 TRANSIT-RELIANT COMMUNITIES, THEREFORE DECREASING VEHICLE MILES
5 TRAVELED, GREENHOUSE GAS EMISSIONS, AND AIR POLLUTANTS.

6 (c) THE ENTERPRISE SHALL PROVIDE COMPETITIVE GRANTS FROM
7 THE LOCAL TRANSIT GRANT PROGRAM CASH FUND TO ELIGIBLE ENTITIES
8 FOR ELIGIBLE OPERATING EXPENSES AND CAPITAL EXPENSES ASSOCIATED
9 WITH PROVIDING PUBLIC TRANSPORTATION, INCLUDING MULTIMODAL
10 PROJECTS THAT IMPROVE ACCESSIBILITY AND CONNECTIVITY BETWEEN
11 TRANSIT SERVICES AND SAFE ACCESS TO TRANSIT FOR PEDESTRIANS AND
12 BICYCLISTS. THE BOARD SHALL DESIGN THE GRANT PROGRAM TO
13 INCENTIVIZE THE MATCHING OF GRANTS AND THE CREATION OR
14 EXPANSION OF LOCAL REGIONAL TRANSPORTATION AUTHORITIES.

15 (5)(a) THE RAIL FUNDING PROGRAM CASH FUND IS CREATED IN THE
16 STATE TREASURY. THE RAIL FUNDING PROGRAM CASH FUND CONSISTS OF
17 PRODUCTION FEES FOR CLEAN TRANSIT CREDITED TO THE RAIL FUNDING
18 PROGRAM CASH FUND PURSUANT TO SUBSECTION (1)(d)(II)(C) OF THIS
19 SECTION, ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY
20 APPROPRIATE OR TRANSFER TO THE RAIL FUNDING PROGRAM CASH FUND,
21 AND ANY FEDERAL MONEY OR GIFTS, GRANTS, OR DONATIONS RECEIVED.
22 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED
23 FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE RAIL FUNDING
24 PROGRAM CASH FUND TO THE RAIL FUNDING PROGRAM CASH FUND.
25 MONEY IN THE RAIL FUNDING PROGRAM CASH FUND IS CONTINUOUSLY
26 APPROPRIATED TO THE ENTERPRISE FOR THE PURPOSES SPECIFIED IN THIS
27 SUBSECTION (5).

1 (b) THE RAIL FUNDING PROGRAM IS CREATED TO FUND PASSENGER
2 RAIL PROJECTS AND SERVICE, THEREFORE DECREASING VEHICLE MILES
3 TRAVELED, GREENHOUSE GAS EMISSIONS, AND AIR POLLUTANTS.

4 (c) PURSUANT TO THE PURPOSE OF THE RAIL FUNDING PROGRAM,
5 THE ENTERPRISE SHALL ALLOCATE MONEY ANNUALLY FROM THE RAIL
6 FUNDING PROGRAM CASH FUND FOR PASSENGER RAIL PROJECTS OF
7 REGIONAL AND STATEWIDE IMPORTANCE, INCLUDING PROJECTS THAT:

8 (I) HAVE ESTABLISHED PLANS AND CAN DEMONSTRATE THE
9 POTENTIAL FOR HIGH RIDERSHIP AND THE REDUCTION OF VEHICLE MILES
10 TRAVELED;

11 (II) FACILITATE LOWER-IMPACT LOCAL LAND USE DECISIONS, IN
12 PARTICULAR THE CONSTRUCTION OF MIXED-USE OR INFILL HOUSING
13 DEVELOPMENT ALONG THE PASSENGER RAIL CORRIDOR TO ACHIEVE LOWER
14 ENERGY USE INTENSITY, FEWER GREENHOUSE GAS EMISSIONS, GREATER
15 DENSITY AND WALKABILITY, AND LESS WATER CONSUMPTION FROM THE
16 BUILT ENVIRONMENT; AND

17 (III) STRIVE TO USE LOW- TO ZERO-EMISSIONS TECHNOLOGY.

18 (d) (I) PURSUANT TO THE PURPOSE OF THE RAIL FUNDING
19 PROGRAM, THE ENTERPRISE SHALL PRIORITIZE FUNDING OPPORTUNITIES TO
20 ESTABLISH PASSENGER RAIL WHERE THERE IS MATCHING FUNDING FROM
21 OTHER SOURCES, SUCH AS THE REGIONAL TRANSPORTATION DISTRICT'S
22 FASTracks INTERNAL SAVINGS ACCOUNT, FEDERAL FUNDING, LOCAL
23 FUNDING, AND OTHER SOURCES.

24 (II) ANY MONEY FROM THE RAIL FUNDING PROGRAM CASH FUND
25 THAT IS USED FOR THE REGIONAL TRANSPORTATION DISTRICT'S
26 TRANSPORTATION EXPANSION PLAN ADOPTED BY THE BOARD OF THE
27 REGIONAL TRANSPORTATION DISTRICT AND APPROVED BY THE VOTERS ON

1 NOVEMBER 2, 2004, MUST BE IN ADDITION TO THE REGIONAL
2 TRANSPORTATION DISTRICT'S FASTRACKS INTERNAL SAVINGS ACCOUNT
3 AND MUST NOT SUPPLANT EXISTING RESOURCES IN THE REGIONAL
4 TRANSPORTATION DISTRICT'S FASTRACKS INTERNAL SAVINGS ACCOUNT.

5 **SECTION 5.** In Colorado Revised Statutes, 32-9-119.7, **add** (8)
6 as follows:

7 **32-9-119.7. Cost efficiency of transit services - reporting -**
8 **plans.** (8) (a) THE DISTRICT SHALL PRIORITIZE COMPLETION OF THE
9 NORTHWEST RAIL LINE TO LONGMONT AND THE NORTH LINES OF THE
10 TRANSPORTATION EXPANSION PLAN, ADOPTED BY THE BOARD AND
11 APPROVED BY THE VOTERS ON NOVEMBER 2, 2004, WHICH SHALL INCLUDE
12 COOPERATING AND ACTIVELY PARTNERING WITH THE STATE AND THE
13 FRONT RANGE PASSENGER RAIL DISTRICT AND RECOGNIZING THE STATE'S
14 PLAN TO FUND AND EXECUTE THE NORTHWEST RAIL LINE IN ORDER TO
15 TAKE ADVANTAGE OF ANY AVAILABLE FEDERAL FUNDING OPPORTUNITIES.

16 (b) ON OR BEFORE JULY 1, 2025, THE DISTRICT SHALL SUBMIT A
17 REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY THAT
18 DEMONSTRATES HOW THE DISTRICT WILL FULFILL THE DISTRICT'S
19 COMMITMENT IN THE TRANSPORTATION EXPANSION PLAN, ADOPTED BY
20 THE BOARD AND APPROVED BY THE VOTERS ON NOVEMBER 2, 2004, TO
21 COMPLETE THE TRANSPORTATION EXPANSION ROUTES PROPOSED IN THE
22 TRANSPORTATION EXPANSION PLAN BY DECEMBER 31, 2034. ON OR
23 BEFORE DECEMBER 15, 2025, THE DISTRICT SHALL PRESENT THE REPORT
24 TO THE TRANSPORTATION LEGISLATION REVIEW COMMITTEE.

25 **SECTION 6.** In Colorado Revised Statutes, **add** article 61 to title
26 33 as follows:

27 **ARTICLE 61**

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**Production Fees for
Wildlife and Land Remediation**

33-61-101. Legislative declaration. (1) THE GENERAL ASSEMBLY
FINDS THAT:

(a) COLORADO IS AMONG THE TOP STATES WHERE OIL AND GAS
PRODUCTION OCCURS, AND THE STATE ACKNOWLEDGES THE MEANINGFUL
ECONOMIC AND JOB-CREATION ROLE THAT THE INDUSTRY HISTORICALLY
AND CURRENTLY HAS, AS WELL AS THE NUMEROUS EFFORTS TAKEN BY THE
INDUSTRY TO DECREASE THE INDUSTRY'S ENVIRONMENTAL IMPACTS AND
INCREASE SUSTAINABILITY MEASURES;

(b) SCIENTIFIC AND GOVERNMENT AGENCY STUDIES, INCLUDING
THE NATIONAL CLIMATE ASSESSMENT, CONFIRM THAT OIL AND GAS
OPERATIONS CONTRIBUTE TO CLIMATE CHANGE AND THE LOSS OF
WILDLIFE, ECOSYSTEMS, AND BIODIVERSITY;

(c) THE STATE PERMITS AND REGULATES THE DEVELOPMENT AND
PRODUCTION OF OIL AND GAS, AND OIL AND GAS DEVELOPMENT OCCURS
IN THE MAJORITY OF COUNTIES IN THE STATE; IN REGULATING OIL AND GAS
DEVELOPMENT, THE STATE INCURS MANY DIRECT AND INDIRECT COSTS
ASSOCIATED WITH THE LONG-LASTING IMPACTS CAUSED BY OIL AND GAS
OPERATIONS;

(d) SCIENTIFIC AND GOVERNMENT STUDIES CONFIRM THAT
HEALTHY GRASSLANDS, FORESTS, SHRUBLANDS, RIPARIAN ECOSYSTEMS,
AND AQUATIC ECOSYSTEMS, AMONG OTHERS, PROVIDE CRITICAL
ECOSYSTEM SERVICES TO HUMANS AND WILDLIFE SPECIES. CLIMATE
CHANGE IS NEGATIVELY AFFECTING THE ABILITY OF THESE LANDS AND
WATERS TO PROVIDE ECOSYSTEM SERVICES. HOWEVER, STUDIES SHOW
THAT CONSERVATION AND RESTORATION CAN STRENGTHEN ECOSYSTEM

1 RESILIENCE AGAINST THESE THREATS.

2 (e) THE PROTECTION AND RESTORATION OF MORE CONNECTED AND
3 RESILIENT LAND IS ONE OF THE MOST COST-EFFECTIVE STRATEGIES FOR
4 MITIGATING CLIMATE CHANGE AND PROTECTING WILDLIFE AND
5 BIODIVERSITY IN THE FACE OF A CHANGING CLIMATE;

6 (f) THE OIL AND GAS INDUSTRY IS THE THIRD LARGEST SOURCE OF
7 GREENHOUSE GAS EMISSIONS IN THE STATE;

8 (g) AS DOCUMENTED IN NUMEROUS SCIENTIFIC STUDIES,
9 INCLUDING THE NATIONAL CLIMATE ASSESSMENT, EMISSIONS OF
10 GREENHOUSE GASES LEAD TO CHANGES IN CLIMATIC PATTERNS AND
11 INCREASE THE VARIABILITY AND SEVERITY OF WEATHER EVENTS.
12 CHANGES IN CLIMATE IN TURN HAVE HARMFUL IMPACTS ON NATIVE
13 WILDLIFE, HABITATS, AND ECOSYSTEMS IN COLORADO.

14 (h) THE COLORADO STATE WILDLIFE ACTION PLAN, DIVISION-LED
15 RESEARCH, AND OTHER SUPPORTING LITERATURE IDENTIFY NUMEROUS
16 EXAMPLES OF THE WAYS IN WHICH SPECIES ARE IMPACTED BY CLIMATE
17 CHANGE. THESE EXAMPLES INCLUDE INCREASING TEMPERATURES AND
18 CHANGES IN PRECIPITATION AND RUNOFF, PROLIFERATION OF INVASIVE
19 SPECIES, HABITAT AND ECOSYSTEM DEGRADATION, MORE EXTREME HEAT,
20 WILDFIRE, DROUGHT, AND STORMS, AMONG MANY OTHERS.

21 (i) ADDITIONALLY, THE STATE WILDLIFE ACTION PLAN INCLUDES
22 A VULNERABILITY ASSESSMENT OF VARIOUS COLORADO HABITAT TYPES,
23 NOTING VULNERABILITIES TO THE IMPACTS OF CLIMATE CHANGE AND
24 HABITAT LOSS;

25 (j) THE CLIMATE CHANGE ASSESSMENT INCLUDED IN THE STATE
26 WILDLIFE ACTION PLAN, AS WELL AS NUMEROUS OTHER STUDIES,
27 DOCUMENTS THAT A HABITAT'S ADAPTIVE CAPACITY TO CLIMATE CHANGE

1 CAN BE AFFECTED BY MANAGEMENT ACTIONS;

2 (k) AS DOCUMENTED IN NUMEROUS STUDIES, OIL AND GAS
3 PRODUCTION CAN IMPACT WILDLIFE AND ECOSYSTEMS THROUGH HABITAT
4 LOSS AND FRAGMENTATION AND CHANGES IN WILDLIFE BEHAVIOR,
5 INCLUDING AVOIDANCE OF LARGE AMOUNTS OF ACREAGE AROUND OIL AND
6 GAS OPERATIONS DUE TO THE INCREASED ROUTE DENSITY AND VEHICULAR
7 TRAFFIC, HUMAN ACTIVITY, AND NOISE ASSOCIATED WITH OIL AND GAS
8 OPERATIONS;

9 (l) GLOBAL AND REGIONAL ENERGY PRICES INCREASE THE
10 DEVELOPMENT PRESSURES OF OIL AND GAS WITHIN THE STATE, GENERALLY
11 LEADING TO MORE OIL AND GAS DEVELOPMENT WHEN OIL AND GAS PRICES
12 ARE HIGH AND, IN TURN, GREATER COMPOUNDING IMPACTS FROM BOTH
13 THE DISTURBANCE AND DESTRUCTION OF HABITAT AND INCREASED
14 GREENHOUSE GAS EMISSIONS CORRELATED TO HIGHER OIL AND GAS
15 PRICES;

16 (m) THE ENERGY AND CARBON MANAGEMENT COMMISSION'S
17 RULES ARE INTENDED TO MINIMIZE ADVERSE IMPACTS TO WILDLIFE
18 RESOURCES AND ENSURE PROPER RECLAMATION OF WILDLIFE HABITATS.
19 THE RULES INCLUDE COMPENSATORY MITIGATION REQUIREMENTS
20 INTENDED TO MITIGATE OIL AND GAS DEVELOPMENT'S DIRECT AND
21 INDIRECT ADVERSE IMPACTS ON WILDLIFE AND HABITATS. SITING OF NEW
22 OR MODIFIED OIL AND GAS DEVELOPMENT PLAN LOCATIONS WITHIN A
23 HIGH-PRIORITY HABITAT REQUIRES AUTOMATIC CONSULTATION WITH THE
24 DIVISION, THE ENERGY AND CARBON MANAGEMENT COMMISSION WORKING
25 WITH APPLICANTS TO AVOID ADVERSE IMPACTS, AND, IF IMPACTS CANNOT
26 BE AVOIDED, IMPOSING ADDITIONAL BEST MANAGEMENT PRACTICES OR
27 CONDITIONS ON AN OPERATOR'S PERMIT TO MINIMIZE IMPACTS. WHERE

1 RESIDUAL ADVERSE IMPACTS TO WILDLIFE REMAIN AFTER AVOIDANCE AND
2 MINIMIZATION EFFORTS, OFFSET MEASURES ARE IMPLEMENTED, SUCH AS
3 COMPENSATORY MITIGATION FEES.

4 (n) DESPITE THESE COMPENSATORY MITIGATION REQUIREMENTS,
5 OIL AND GAS OPERATIONS AND EMISSIONS ASSOCIATED WITH THE
6 OPERATIONS HAVE HAD AND CAN CONTINUE TO HAVE ADVERSE
7 CLIMATE-RELATED AND OTHER IMPACTS ON WILDLIFE RESOURCES IN THE
8 STATE, AND ADDITIONAL EFFORTS ARE NECESSARY TO MITIGATE THOSE
9 IMPACTS;

10 (o) THE ADVERSE IMPACTS OF OIL AND GAS OPERATIONS ON
11 WILDLIFE CHALLENGE THE DIVISION'S CAPACITY TO FULFILL ITS MISSION
12 PURSUANT TO SECTION 33-1-101 TO ENSURE THAT THE STATE'S WILDLIFE
13 AND ITS HABITATS ARE PROTECTED, PRESERVED, ENHANCED, AND
14 MANAGED FOR FUTURE GENERATIONS;

15 (p) IT IS NECESSARY TO INVEST IN DURABLE PROTECTIONS FOR THE
16 STATE'S REMAINING HIGH-VALUE NATURAL AREAS AND WILDLIFE TO
17 PARTIALLY MITIGATE FOR LANDS LOST TO OIL AND GAS OPERATIONS AND
18 OTHER ADVERSE IMPACTS OF OIL AND GAS OPERATIONS ON WILDLIFE AND
19 HABITATS; AND

20 (q) INVESTMENT IN THE FOLLOWING REMEDIATION SERVICES
21 WOULD PARTIALLY MITIGATE THE IMPACTS OF OIL AND GAS OPERATIONS:

22 (I) CREATING NEW STATE PARKS AND NEW STATE WILDLIFE AREAS,
23 WITH A PRIMARY FOCUS ON BENEFITS TO WILDLIFE AND NATIVE
24 BIODIVERSITY;

25 (II) SLOWING BIODIVERSITY LOSS AND IMPROVING ECOSYSTEM
26 RESILIENCE;

27 (III) IMPROVING WILDLIFE CONNECTIVITY AND MIGRATION

1 CORRIDORS;

2 (IV) ACQUIRING AND LEASING LANDS AND WATERS FOR THE
3 PROTECTION OF WILDLIFE AND HABITATS;

4 (V) RESTORING LANDS, INCLUDING THROUGH IMPROVEMENTS IN
5 GRASSLAND, FOREST, WATERSHED, SHRUBLAND, RIPARIAN, AND AQUATIC
6 ECOSYSTEM HEALTH;

7 (VI) NATIVE SPECIES CONSERVATION, REHABILITATION, AND
8 REINTRODUCTION, EXCEPT FOR THE REINTRODUCTION OF GRIZZLY BEARS
9 AND GRAY WOLVES THAT NEGATIVELY IMPACT LIVESTOCK;

10 (VII) CONTINUED RESEARCH AND MONITORING OF THREATS TO
11 COLORADO WILDLIFE AND ECOSYSTEMS, INCLUDING FROM CLIMATE
12 CHANGE AND OIL AND GAS OPERATIONS; AND

13 (VIII) THE PROVISION OF GRANTS, AWARDS, EASEMENTS, OR
14 OTHER AGREEMENTS SOLELY TO ASSIST IN IMPLEMENTING THE
15 REMEDIATION SERVICES DESCRIBED IN THIS SUBSECTION (1)(q).

16 (2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT:

17 (a) TO MITIGATE SOME OF THE ADVERSE IMPACTS OF OIL AND GAS
18 OPERATIONS ON WILDLIFE AND HABITATS, IT IS NECESSARY, APPROPRIATE,
19 EQUITABLE, AND IN THE BEST INTEREST OF ALL COLORADANS TO IMPOSE
20 FEES ON OIL AND GAS PRODUCED IN THE STATE;

21 (b) ADDRESSING THE ADVERSE IMPACTS OF OIL AND GAS
22 OPERATIONS ON THE ENVIRONMENT REQUIRES THE IMPLEMENTATION OF
23 ACTIONS, INCLUDING INVESTMENT IN LAND, WILDLIFE, AND HABITAT
24 CONSERVATION AND RESTORATION TO PARTIALLY MITIGATE THE IMPACTS
25 OF OIL AND GAS OPERATIONS ON HABITATS, WILDLIFE, AND LOSS OF
26 BIODIVERSITY;

27 (c) THE FEES IMPOSED BY THE DIVISION PURSUANT TO THIS

1 ARTICLE 61 ARE FOR THE PRIMARY PURPOSE OF ALLOWING THE DIVISION
2 TO DEFRAY THE COSTS OF PROVIDING THE REMEDIATION SERVICES
3 SPECIFIED IN THIS ARTICLE 61, AND THE FEES CONTRIBUTE TO THE
4 IMPLEMENTATION OF ACTIONS REQUIRED FOR THE FUNDING AND
5 SUPERVISION OF BROAD INVESTMENT IN LAND, WILDLIFE, AND HABITAT
6 CONSERVATION AND RESTORATION;

7 (d) THE FEES IMPOSED BY THE DIVISION ARE COLLECTED AT RATES
8 REASONABLY CALCULATED BASED ON THE IMPACTS CAUSED BY
9 PRODUCERS AND THE COST OF PARTIALLY REMEDIATING THOSE IMPACTS;

10 (e) BY PROVIDING REMEDIATION SERVICES AS AUTHORIZED BY THIS
11 SECTION, THE DIVISION PROVIDES A VALUABLE BENEFIT TO PRODUCERS BY
12 PARTIALLY REMEDIATING THE IMPACTS CAUSED BY OIL AND GAS
13 DEVELOPMENT;

14 (f) CONSISTENT WITH THE DETERMINATION OF THE COLORADO
15 SUPREME COURT IN *COLORADO UNION OF TAXPAYERS FOUNDATION V. CITY*
16 *OF ASPEN*, 2018 CO 36, THAT A CHARGE IS NOT A TAX IF THE PRIMARY
17 PURPOSE OF THE CHARGE IS NOT TO RAISE REVENUE FOR GENERAL
18 GOVERNMENTAL PURPOSES BUT IS INSTEAD TO DEFRAY SOME OF THE
19 COSTS OF PROVIDING A SERVICE OR REGULATING AN ACTIVITY UNDER A
20 COMPREHENSIVE REGULATORY SCHEME, THE CHARGES IMPOSED BY THE
21 DIVISION AS AUTHORIZED BY THIS ARTICLE 61 ARE FEES, NOT TAXES,
22 BECAUSE THE FEES ARE COLLECTED FROM PRODUCERS FOR THE PRIMARY
23 PURPOSE OF DEFRAYING SOME OF THE COSTS OF MITIGATING THE ADVERSE
24 IMPACTS CAUSED BY PRODUCERS IN AN AMOUNT REASONABLY RELATED
25 TO THE IMPACTS CAUSED BY OIL AND GAS OPERATIONS AND THE AMOUNT
26 EXPENDED TO MITIGATE THOSE IMPACTS;

27 (g) PURSUANT TO SECTION 33-9-105, THE DIVISION CONSTITUTES

1 AN ENTERPRISE FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE
2 CONSTITUTION, AND, AS AN ENTERPRISE THAT HAS EXISTED SINCE 2011,
3 SECTION 24-77-108 DOES NOT APPLY; AND

4 (h) SO LONG AS THE DIVISION QUALIFIES AS AN ENTERPRISE FOR
5 PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, THE
6 REVENUE FROM THE FEES COLLECTED BY THE ENTERPRISE IS NOT STATE
7 FISCAL YEAR SPENDING, AS DEFINED IN SECTION 24-77-102 (17), OR STATE
8 REVENUES, AS DEFINED IN SECTION 24-77-103.6 (6)(c), AND DOES NOT
9 COUNT AGAINST EITHER THE STATE FISCAL YEAR SPENDING LIMIT IMPOSED
10 BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION OR THE EXCESS
11 STATE REVENUES CAP, AS DEFINED IN SECTION 24-77-103.6 (6)(b)(I)(G).

12 **33-61-102. Definitions.** AS USED IN THIS ARTICLE 61, UNLESS THE
13 CONTEXT OTHERWISE REQUIRES:

14 (1) "BARREL" MEANS FORTY-TWO UNITED STATES GALLONS AT
15 SIXTY DEGREES FAHRENHEIT AT ATMOSPHERIC PRESSURE.

16 (2) "COMMISSION" MEANS THE ENERGY AND CARBON
17 MANAGEMENT COMMISSION CREATED IN SECTION 34-60-104.3 (1).

18 (3) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
19 THE DEPARTMENT OF REVENUE.

20 (4) "FUND" MEANS THE CLIMATE RESILIENT WILDLIFE AND LAND
21 CASH FUND CREATED IN SECTION 33-61-103 (3)(a).

22 (5) "GAS" HAS THE MEANING SET FORTH IN SECTION 34-60-103
23 AND INCLUDES NATURAL GAS LIQUIDS.

24 (6) "GAS SPOT PRICE" MEANS THE HENRY HUB NATURAL GAS SPOT
25 PRICE AS REPORTED BY THE UNITED STATES ENERGY INFORMATION
26 ADMINISTRATION OR A SUCCESSOR PRICE INDEX SELECTED BY THE
27 COMMISSION.

- 1 (7) "MCF" MEANS ONE THOUSAND CUBIC FEET.
- 2 (8) "MMBTU" MEANS ONE MILLION BRITISH THERMAL UNITS.
- 3 (9) "OIL" HAS THE MEANING SET FORTH IN SECTION 34-60-103.
- 4 (10) "OIL SPOT PRICE" MEANS THE WEST TEXAS INTERMEDIATE
5 SPOT PRICE AS REPORTED BY THE UNITED STATES ENERGY INFORMATION
6 ADMINISTRATION OR A SUCCESSOR PRICE INDEX SELECTED BY THE
7 COMMISSION.
- 8 (11) "PRODUCER" HAS THE MEANING SET FORTH IN SECTION
9 34-60-103.
- 10 (12) "PRODUCTION FEE AMOUNTS" MEANS:
- 11 (a) FOR OIL, IF THE AVERAGE OIL SPOT PRICE FOR THE CALENDAR
12 QUARTER IN WHICH THE FEE IS BEING ASSESSED IS:
- 13 (I) FORTY DOLLARS PER BARREL OF OIL OR LESS, AN AMOUNT
14 DETERMINED BY THE DIVISION, WITH A MAXIMUM AMOUNT OF ONE CENT
15 PER BARREL OF OIL;
- 16 (II) GREATER THAN FORTY DOLLARS BUT LESS THAN OR EQUAL TO
17 FIFTY DOLLARS PER BARREL OF OIL, AN AMOUNT DETERMINED BY THE
18 DIVISION, WITH A MAXIMUM AMOUNT OF THREE CENTS PER BARREL OF OIL;
- 19 (III) GREATER THAN FIFTY DOLLARS BUT LESS THAN OR EQUAL TO
20 SIXTY DOLLARS PER BARREL OF OIL, AN AMOUNT DETERMINED BY THE
21 DIVISION, WITH A MAXIMUM AMOUNT OF SIX CENTS PER BARREL OF OIL;
- 22 AND
- 23 (IV) GREATER THAN SIXTY DOLLARS PER BARREL OF OIL, AN
24 AMOUNT DETERMINED BY THE DIVISION, WHICH AMOUNT MUST ONLY
25 INCREASE AT A MAXIMUM RATE OF THREE CENTS FOR EACH TEN DOLLARS,
26 OR FRACTION OF TEN DOLLARS, BY WHICH THE AVERAGE OIL SPOT PRICE
27 EXCEEDS SIXTY DOLLARS PER BARREL OF OIL; AND

1 (b) FOR GAS, IF THE AVERAGE GAS SPOT PRICE FOR THE CALENDAR
2 QUARTER IN WHICH THE FEE IS BEING ASSESSED IS:

3 (I) ONE DOLLAR AND FORTY CENTS PER MMBTU OF GAS OR LESS,
4 AN AMOUNT DETERMINED BY THE DIVISION, WITH A MAXIMUM AMOUNT OF
5 0.04 CENTS PER MCF OF GAS;

6 (II) GREATER THAN ONE DOLLAR AND FORTY CENTS BUT LESS
7 THAN OR EQUAL TO ONE DOLLAR AND EIGHTY CENTS PER MMBTU OF GAS,
8 AN AMOUNT DETERMINED BY THE DIVISION, WITH A MAXIMUM AMOUNT OF
9 0.16 CENTS PER MCF OF GAS;

10 (III) GREATER THAN ONE DOLLAR AND EIGHTY CENTS BUT LESS
11 THAN OR EQUAL TO TWO DOLLARS AND TWENTY CENTS PER MMBTU OF
12 GAS, AN AMOUNT DETERMINED BY THE DIVISION, WITH A MAXIMUM
13 AMOUNT OF 0.28 CENTS PER MCF OF GAS; AND

14 (IV) GREATER THAN TWO DOLLARS AND TWENTY CENTS PER
15 MMBTU OF GAS, AN AMOUNT DETERMINED BY THE DIVISION, WHICH
16 AMOUNT MUST ONLY INCREASE AT A MAXIMUM RATE OF 0.12 CENTS FOR
17 EACH FORTY CENTS, OR FRACTION OF FORTY CENTS, BY WHICH THE
18 AVERAGE GAS SPOT PRICE EXCEEDS TWO DOLLARS AND TWENTY CENTS
19 PER MMBTU OF GAS.

20 (13) "PRODUCTION FEE FOR CLEAN TRANSIT" OR "PRODUCTION
21 FEES FOR CLEAN TRANSIT" MEANS THE PRODUCTION FEE FOR CLEAN
22 TRANSIT IMPOSED BY THE CLEAN TRANSIT ENTERPRISE PURSUANT TO
23 SECTION 43-4-1204.

24 (14) "PRODUCTION FEE FOR WILDLIFE AND LAND REMEDIATION",
25 "PRODUCTION FEES FOR WILDLIFE AND LAND REMEDIATION", OR "FEE"
26 MEANS THE PRODUCTION FEE FOR WILDLIFE AND LAND REMEDIATION
27 IMPOSED BY THE DIVISION PURSUANT TO SECTION 33-61-103 (1)(a).

1 **33-61-103. Fee for oil and gas production - remediation of**
2 **harm to wildlife and land - cash fund.** (1) (a) IN FURTHERANCE OF ITS
3 BUSINESS PURPOSE PURSUANT TO SECTION 33-9-105, THE DIVISION SHALL
4 IMPOSE A PRODUCTION FEE FOR WILDLIFE AND LAND REMEDIATION TO BE
5 PAID QUARTERLY BY EVERY PRODUCER THAT APPLIES TO ALL OIL AND GAS
6 PRODUCED BY THE PRODUCER IN THE STATE ON AND AFTER JULY 1, 2025.

7 (b) (I) NO LATER THAN ONE WEEK AFTER OCTOBER 1, 2025, AND
8 NO LATER THAN ONE WEEK AFTER THE FIRST DAY OF EACH CALENDAR
9 QUARTER THEREAFTER, THE COMMISSION SHALL CALCULATE, INCLUDING
10 PERFORMING ANY NECESSARY MEASUREMENT UNIT CONVERSIONS TO
11 CALCULATE, THE AVERAGE OIL SPOT PRICE AND THE AVERAGE GAS SPOT
12 PRICE FOR THE PREVIOUS CALENDAR QUARTER AND PUBLISH THE AVERAGE
13 OIL SPOT PRICE AND THE AVERAGE GAS SPOT PRICE ON THE COMMISSION'S
14 WEBSITE. THE COMMISSION SHALL ROUTINELY PROVIDE WRITTEN
15 GUIDANCE TO THE DIVISION ON FACTORS RELEVANT TO THE PRODUCTION
16 FEE AMOUNTS, INCLUDING GUIDANCE ON THE CURRENT CONDITION OF THE
17 OIL AND GAS MARKET AND THE MARKET'S SENSITIVITY TO HIGHER OR
18 LOWER PRODUCTION FEE AMOUNTS. IN PREPARING THE WRITTEN
19 GUIDANCE, THE COMMISSION SHALL:

20 (A) TAKE INTO CONSIDERATION EMERGENCIES, NATIONAL
21 SECURITY NEEDS, EXTREME MARKET DISRUPTIONS, AND EXTREME NEW
22 REGULATORY BURDENS ON PRODUCERS; AND

23 (B) NOT ACT IN AN ARBITRARY AND CAPRICIOUS MANNER.

24 (II) NO LATER THAN ONE MONTH AFTER THE COMMISSION
25 PUBLISHES THE AVERAGE OIL SPOT PRICE AND THE AVERAGE GAS SPOT
26 PRICE FOR THE PREVIOUS CALENDAR QUARTER ON THE COMMISSION'S
27 WEBSITE PURSUANT TO SUBSECTION (1)(b)(I) OF THIS SECTION, THE

1 DIVISION SHALL SET THE PRODUCTION FEE AMOUNTS APPLICABLE TO THE
2 PREVIOUS CALENDAR QUARTER, NOTIFY THE EXECUTIVE DIRECTOR OF THE
3 PRODUCTION FEE AMOUNTS SET, AND PUBLISH THE PRODUCTION FEE
4 AMOUNTS ON THE DIVISION'S WEBSITE. PRIOR TO ADOPTING THE
5 PRODUCTION FEE AMOUNTS, THE DIVISION SHALL CONSULT WITH THE
6 COMMISSION ON THE APPROPRIATE PRODUCTION FEE AMOUNTS FOR THE
7 PREVIOUS QUARTER AND TAKE INTO ACCOUNT THE MAXIMUM AMOUNTS
8 DESCRIBED IN SECTION 33-61-102 (12) AND OTHER RELEVANT FACTORS.

9 (III) ON OR BEFORE THE LAST DAY OF THE SECOND MONTH
10 FOLLOWING THE PREVIOUS CALENDAR QUARTER, EVERY PRODUCER SHALL
11 FILE A RETURN AND PAY THE PRODUCTION FEE FOR WILDLIFE AND LAND
12 REMEDIATION FOR THE PREVIOUS CALENDAR QUARTER IN ACCORDANCE
13 WITH SECTION 33-61-106.

14 (c) (I) THE EXECUTIVE DIRECTOR SHALL COLLECT, ADMINISTER,
15 AND ENFORCE THE PRODUCTION FEE FOR WILDLIFE AND LAND
16 REMEDIATION ON BEHALF OF THE DIVISION IN ACCORDANCE WITH THIS
17 ARTICLE 61 AND ARTICLE 21 OF TITLE 39.

18 (II) FOR THE PURPOSE OF MINIMIZING COMPLIANCE COSTS FOR
19 PRODUCERS AND ADMINISTRATIVE COSTS FOR THE STATE, WHEN THE
20 EXECUTIVE DIRECTOR COLLECTS THE PRODUCTION FEE FOR WILDLIFE AND
21 LAND REMEDIATION, THE EXECUTIVE DIRECTOR SHALL ALSO COLLECT THE
22 PRODUCTION FEE FOR CLEAN TRANSIT IN THE SAME MANNER.

23 (d) THE EXECUTIVE DIRECTOR SHALL TRANSMIT ANY FEES
24 COLLECTED PURSUANT TO SUBSECTION (1)(c) OF THIS SECTION TO THE
25 STATE TREASURER, WHO SHALL CREDIT THE FEES, MINUS THE COSTS TO
26 THE DEPARTMENT OF REVENUE FOR ADMINISTERING THE FEES PURSUANT
27 TO SECTION 33-61-104, WHICH COSTS SHALL BE CREDITED TO THE OIL AND

1 GAS PRODUCTION FEES COLLECTION FUND CREATED IN SECTION 33-61-104
2 (1), TO THE FUND.

3 (e) ANY MONEY THAT THE DEPARTMENT OF REVENUE COLLECTS
4 AND TRANSMITS TO THE STATE TREASURER PURSUANT TO THIS ARTICLE 61:

5 (I) IS COLLECTED FOR THE DIVISION, WHICH IS AN ENTERPRISE
6 PURSUANT TO SECTION 33-9-105;

7 (II) IS CUSTODIAL MONEY INTENDED FOR THE DIVISION AND HELD
8 TEMPORARILY BY THE DEPARTMENT OF REVENUE AND THE STATE
9 TREASURER SOLELY FOR THE PURPOSE OF CREDITING THE MONEY TO THE
10 FUND; AND

11 (III) BASED ON THE DIVISION'S STATUS AS AN ENTERPRISE, IS NOT
12 SUBJECT TO SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION AT
13 ANY TIME DURING ITS COLLECTION, TRANSMISSION, AND USE.

14 (2) NO LATER THAN MARCH 1, 2030, AND EVERY FIFTH MARCH 1
15 THEREAFTER, THE DIVISION SHALL COMPLETE AN ANALYSIS OF THE
16 PRODUCTION FEE AMOUNTS, THE AMOUNT OF REVENUE GENERATED BY
17 THE FEES, AND THE USE OF THE FEE REVENUE IN ORDER TO ENSURE THAT
18 THE DIVISION IS CONTINUING TO IMPOSE PRODUCTION FEE AMOUNTS THAT
19 ARE REASONABLY CALCULATED TO NOT EXCEED THE OVERALL COSTS OF
20 PROVIDING THE REMEDIATION SERVICES DESCRIBED IN SUBSECTION (3) OF
21 THIS SECTION. THE DIVISION SHALL POST THE ANALYSIS ON THE DIVISION'S
22 WEBSITE.

23 (3) (a) THE CLIMATE RESILIENT WILDLIFE AND LAND CASH FUND IS
24 CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF PRODUCTION
25 FEES FOR WILDLIFE AND LAND REMEDIATION CREDITED TO THE FUND
26 PURSUANT TO SUBSECTION (1)(c) OF THIS SECTION, ANY OTHER MONEY
27 THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE

1 FUND, AND ANY FEDERAL MONEY OR GIFTS, GRANTS, OR DONATIONS
2 RECEIVED. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
3 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
4 FUND TO THE FUND. MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED
5 TO THE DIVISION FOR THE PURPOSES SPECIFIED IN SUBSECTION (3)(b) OF
6 THIS SECTION.

7 (b) THE DIVISION SHALL ONLY EXPEND MONEY IN THE FUND FOR
8 THE FOLLOWING REMEDIATION SERVICES TO PARTIALLY MITIGATE THE
9 IMPACTS OF OIL AND GAS OPERATIONS:

10 (I) CREATING NEW STATE PARKS AND NEW STATE WILDLIFE AREAS,
11 WITH A PRIMARY FOCUS ON BENEFITS TO WILDLIFE AND NATIVE
12 BIODIVERSITY;

13 (II) SLOWING BIODIVERSITY LOSS AND IMPROVING ECOSYSTEM
14 RESILIENCE;

15 (III) IMPROVING WILDLIFE CONNECTIVITY AND MIGRATION
16 CORRIDORS;

17 (IV) ACQUIRING AND LEASING LANDS AND WATERS FOR THE
18 PROTECTION OF WILDLIFE AND HABITATS;

19 (V) RESTORING LANDS, INCLUDING THROUGH IMPROVEMENTS IN
20 GRASSLAND, FOREST, WATERSHED, SHRUBLAND, RIPARIAN, AND AQUATIC
21 ECOSYSTEM HEALTH;

22 (VI) NATIVE SPECIES CONSERVATION, REHABILITATION, AND
23 REINTRODUCTION, EXCEPT FOR THE REINTRODUCTION OF GRIZZLY BEARS
24 AND GRAY WOLVES THAT NEGATIVELY IMPACT LIVESTOCK;

25 (VII) CONTINUED RESEARCH AND MONITORING OF THREATS TO
26 COLORADO WILDLIFE AND ECOSYSTEMS, INCLUDING FROM CLIMATE
27 CHANGE AND OIL AND GAS OPERATIONS;

1 (VIII) THE PROVISION OF GRANTS, AWARDS, EASEMENTS, OR
2 OTHER AGREEMENTS SOLELY TO ASSIST IN IMPLEMENTING THE
3 REMEDIATION SERVICES DESCRIBED IN THIS SUBSECTION (3); AND

4 (IX) THE DIVISION'S DIRECT AND INDIRECT COSTS, AS WELL AS THE
5 DIRECT AND INDIRECT COSTS OF THE RECIPIENTS OF GRANTS, AWARDS,
6 EASEMENTS, OR OTHER AGREEMENTS DESCRIBED IN SUBSECTION
7 (3)(b)(VIII) OF THIS SECTION, IN IMPLEMENTING THE REMEDIATION
8 SERVICES DESCRIBED IN THIS SUBSECTION (3).

9 **33-61-104. Collection and administration of production fees**

10 - **rules.** (1) WHEN COLLECTING THE PRODUCTION FEES FOR CLEAN
11 TRANSIT AND THE PRODUCTION FEES FOR WILDLIFE AND LAND
12 REMEDIATION, THE EXECUTIVE DIRECTOR SHALL RETAIN AN AMOUNT THAT
13 DOES NOT EXCEED THE TOTAL COST OF COLLECTING, ADMINISTERING, AND
14 ENFORCING THE PRODUCTION FEES FOR CLEAN TRANSIT AND THE
15 PRODUCTION FEES FOR WILDLIFE AND LAND REMEDIATION, AND SHALL
16 TRANSMIT THE AMOUNT RETAINED TO THE STATE TREASURER, WHO SHALL
17 CREDIT THE PRODUCTION FEES FOR CLEAN TRANSIT AND THE PRODUCTION
18 FEES FOR WILDLIFE AND LAND REMEDIATION TO THE OIL AND GAS
19 PRODUCTION FEES COLLECTION FUND, WHICH IS CREATED IN THE STATE
20 TREASURY. ALL MONEY IN THE OIL AND GAS PRODUCTION FEES
21 COLLECTION FUND IS CONTINUOUSLY APPROPRIATED TO THE DEPARTMENT
22 OF REVENUE TO DEFRAY THE COSTS INCURRED BY THE DEPARTMENT OF
23 REVENUE IN COLLECTING, ENFORCING, AND ADMINISTERING THE
24 PRODUCTION FEES FOR WILDLIFE AND LAND REMEDIATION AND THE
25 PRODUCTION FEES FOR CLEAN TRANSIT.

26 (2) THE EXECUTIVE DIRECTOR MAY PROMULGATE RULES NOT
27 INCONSISTENT WITH THIS ARTICLE 61 OR SECTION 43-4-1204, PRESCRIBE

1 FORMS, AND TAKE OTHER ACTIONS NECESSARY FOR THE PROPER
2 COLLECTION, ADMINISTRATION, AND ENFORCEMENT OF THE PRODUCTION
3 FEES FOR WILDLIFE AND LAND REMEDIATION AND THE PRODUCTION FEES
4 FOR CLEAN TRANSIT.

5 **33-61-105. Registration required - petty offense - civil penalty.**

6 (1) EVERY PRODUCER LIABLE FOR THE PRODUCTION FEE FOR WILDLIFE
7 AND LAND REMEDIATION AND THE PRODUCTION FEE FOR CLEAN TRANSIT
8 SHALL FILE A REGISTRATION STATEMENT ON A FORM PRESCRIBED BY THE
9 EXECUTIVE DIRECTOR ON OR BEFORE JULY 1, 2025, OR ON OR BEFORE THE
10 DATE OF FIRST PRODUCTION, WHICHEVER IS LATER.

11 (2) (a) ANY PRODUCER THAT PRODUCES OIL OR GAS ON OR AFTER
12 JULY 1, 2025, IN THE STATE WITHOUT REGISTERING IN ACCORDANCE WITH
13 SUBSECTION (1) OF THIS SECTION COMMITS A PETTY OFFENSE AND SHALL
14 BE PUNISHED IN ACCORDANCE WITH SECTION 18-1.3-503.

15 (b) THE EXECUTIVE DIRECTOR SHALL ALSO ASSESS A CIVIL
16 PENALTY OF FIFTY DOLLARS PER DAY TO A MAXIMUM PENALTY OF ONE
17 THOUSAND DOLLARS AGAINST ANY PRODUCER THAT PRODUCES OIL OR GAS
18 IN THE STATE ON OR AFTER JULY 1, 2025, WITHOUT REGISTERING AS SET
19 FORTH IN SUBSECTION (1) OF THIS SECTION. THE EXECUTIVE DIRECTOR
20 SHALL ASSESS AND COLLECT AND TRANSMIT THE CIVIL PENALTY IMPOSED
21 BY THIS SUBSECTION (2)(b) TO THE STATE TREASURER, AND THE STATE
22 TREASURER SHALL CREDIT THE CIVIL PENALTIES TRANSMITTED IN THE
23 SAME MANNER AS THE PRODUCTION FEE FOR WILDLIFE AND LAND
24 REMEDIATION AND THE PRODUCTION FEE FOR CLEAN TRANSIT. THE
25 EXECUTIVE DIRECTOR MAY WAIVE OR REDUCE THE CIVIL PENALTY
26 ASSESSED PURSUANT TO THIS SUBSECTION (2)(b) IF THE PRODUCER'S
27 FAILURE TO REGISTER IS DUE TO REASONABLE CAUSE AND NOT WILLFUL

1 NEGLECT OR INTENT TO DEFRAUD.

2 **33-61-106. Returns and remittance of fees - rules.** (1) EVERY
3 PRODUCER SHALL FILE A RETURN WITH THE EXECUTIVE DIRECTOR FOR
4 EACH CALENDAR QUARTER UPON FORMS PRESCRIBED AND FURNISHED BY
5 THE EXECUTIVE DIRECTOR. THE RETURN MUST CONTAIN THE VOLUME OF
6 OIL AND GAS PRODUCED IN THE STATE DURING THE PREVIOUS CALENDAR
7 QUARTER, THE PRODUCTION FEE FOR WILDLIFE AND LAND REMEDIATION
8 AND THE PRODUCTION FEE FOR CLEAN TRANSIT DUE ON THE VOLUME OF
9 OIL AND GAS PRODUCED IN THE STATE DURING THE PREVIOUS CALENDAR
10 QUARTER, AND ANY OTHER INFORMATION THAT THE EXECUTIVE DIRECTOR
11 MAY REASONABLY REQUIRE.

12 (2) THE PRODUCER SHALL FILE THE RETURN REQUIRED BY
13 SUBSECTION (1) OF THIS SECTION WITH THE EXECUTIVE DIRECTOR ON OR
14 BEFORE THE LAST DAY OF THE SECOND MONTH FOLLOWING THE PREVIOUS
15 CALENDAR QUARTER APPLICABLE TO THE RETURN AND WITH THE RETURN
16 SHALL REMIT THE PRODUCTION FEES FOR WILDLIFE AND LAND
17 REMEDICATION AND THE PRODUCTION FEES FOR CLEAN TRANSIT DUE. THE
18 PRODUCER SHALL FILE THE RETURN REQUIRED BY SUBSECTION (1) OF THIS
19 SECTION ELECTRONICALLY AND REMIT THE AMOUNT OF THE PRODUCTION
20 FEES FOR WILDLIFE AND LAND REMEDIATION AND THE PRODUCTION FEES
21 FOR CLEAN TRANSIT DUE BY ELECTRONIC FUNDS TRANSFER.

22 (3) THE EXECUTIVE DIRECTOR MAY EXTEND THE TIME FOR MAKING
23 A RETURN AND PAYING THE PRODUCTION FEES FOR WILDLIFE AND LAND
24 REMEDICATION AND THE PRODUCTION FEES FOR CLEAN TRANSIT DUE FOR
25 GOOD CAUSE SHOWN OR UNDER SUCH REASONABLE RULES AS THE
26 EXECUTIVE DIRECTOR MAY PROMULGATE.

27 (4) (a) IF A PERSON NEGLECTS OR REFUSES TO MAKE A TIMELY

1 RETURN, TO PAY OR CORRECTLY ACCOUNT FOR ANY PRODUCTION FEES FOR
2 WILDLIFE AND LAND REMEDIATION OR PRODUCTION FEES FOR CLEAN
3 TRANSIT AS REQUIRED BY THIS ARTICLE 61, OR TO KEEP COMPLETE AND
4 ACCURATE RECORDS PURSUANT TO SECTION 33-61-107, THE EXECUTIVE
5 DIRECTOR SHALL MAKE AN ESTIMATE, BASED UPON THE INFORMATION
6 THAT MAY BE AVAILABLE, OF THE AMOUNT OF PRODUCTION FEES FOR
7 WILDLIFE AND LAND REMEDIATION OR PRODUCTION FEES FOR CLEAN
8 TRANSIT DUE, NOT ACCOUNTED FOR, OR INCORRECTLY ACCOUNTED FOR ON
9 A RETURN FOR THE PERIOD FOR WHICH THE PRODUCER IS DELINQUENT. THE
10 EXECUTIVE DIRECTOR SHALL ADD TO THE ESTIMATED AMOUNT OF
11 PRODUCTION FEES FOR WILDLIFE AND LAND REMEDIATION OR PRODUCTION
12 FEES FOR CLEAN TRANSIT DUE, NOT ACCOUNTED FOR, OR INCORRECTLY
13 ACCOUNTED FOR INTEREST IF APPLICABLE UNDER SECTION 39-21-110.5
14 AND A PENALTY EQUAL TO THE GREATER OF:

- 15 (I) FIFTEEN DOLLARS; OR
- 16 (II) TEN PERCENT OF SUCH UNPAID, UNACCOUNTED, OR
17 INCORRECTLY ACCOUNTED AMOUNT, PLUS ONE-HALF PERCENT PER MONTH
18 FROM THE DATE WHEN DUE, NOT EXCEEDING EIGHTEEN PERCENT IN THE
19 AGGREGATE.

20 (b) THE EXECUTIVE DIRECTOR SHALL PROVIDE THE DELINQUENT
21 PRODUCER A WRITTEN NOTICE OF DEFICIENCY DETAILING THE ESTIMATED
22 FEES, PENALTY, AND INTEREST IN ACCORDANCE WITH SECTION 39-21-103
23 (1).

24 **33-61-107. Books and records.** EVERY PRODUCER SHALL KEEP
25 COMPLETE AND ACCURATE RECORDS NECESSARY FOR THE DETERMINATION
26 OF THE CORRECT AMOUNT OF THE PRODUCTION FEES FOR WILDLIFE AND
27 LAND REMEDIATION AND PRODUCTION FEES FOR CLEAN TRANSIT

1 COLLECTED PURSUANT TO THIS ARTICLE 61 AND SECTION 43-4-1204. THE
2 PRODUCER SHALL PROVIDE A COPY OF THE RECORDS REQUIRED TO BE KEPT
3 PURSUANT TO THIS SECTION AND ANY OTHER RECORDS DETERMINED TO BE
4 NECESSARY BY THE EXECUTIVE DIRECTOR FOR THE CORRECT AMOUNT OF
5 THE PRODUCTION FEES FOR WILDLIFE AND LAND REMEDIATION AND
6 PRODUCTION FEES FOR CLEAN TRANSIT DUE, TO THE EXECUTIVE DIRECTOR,
7 IF SO REQUESTED. THE EXECUTIVE DIRECTOR MAY ESTABLISH THE
8 ACCEPTABLE FORM OF SUCH RECORDS.

9 **SECTION 7.** In Colorado Revised Statutes, 39-21-102, **add** (8)
10 as follows:

11 **39-21-102. Scope.** (8) THE PROVISIONS OF THIS ARTICLE 21 APPLY
12 TO THE FEES IMPOSED PURSUANT TO THE PROVISIONS OF ARTICLE 61 OF
13 TITLE 33 AND THE FEES IMPOSED BY THE PROVISIONS OF SECTION
14 43-4-1204, BUT ONLY TO THE EXTENT THAT THE PROVISIONS OF THIS
15 ARTICLE 21 ARE NOT INCONSISTENT WITH THE PROVISIONS OF ARTICLE 61
16 OF TITLE 33 AND THE PROVISIONS OF SECTION 43-4-1204.

17 **SECTION 8.** In Colorado Revised Statutes, 39-21-107, **amend**
18 (1) as follows:

19 **39-21-107. Limitations.** (1) Except as provided in this section,
20 in section 29-2-106.1 (5)(b), and unless such time is extended by waiver,
21 the amount of any tax or of any charge on oil and gas production,
22 ~~imposed pursuant to articles 24 to 29 of this title 39 or article 3 of title 42,~~
23 and the penalty and interest applicable ~~thereto~~ TO THE TAX OR CHARGE,
24 shall be assessed within three years after the return was filed, whether or
25 not such return was filed on or after the date prescribed, and no
26 assessment shall be made or credit taken and no notice of lien shall be
27 filed, nor distraint warrant issued, nor suit for collection instituted, nor

1 any other action to collect the same commenced after the expiration of
2 such period; except that a written proposed adjustment of the tax liability
3 by the department issued prior to the expiration of such period shall
4 extend the limitation of this subsection (1) for one year after a final
5 determination or assessment is made. No lien shall continue after the
6 three-year period provided for in this subsection (1), except for taxes
7 assessed before the expiration of such period, notice of lien with respect
8 to which has been filed prior to the expiration of such period, and except
9 for taxes on which written notice of any proposed adjustment of the tax
10 liability has been sent to the taxpayer during such three-year period, in
11 which case the lien shall continue for one year only after the expiration
12 of such period or after the issuance of a final determination or assessment
13 based on the proposed adjustment issued prior to the expiration of the
14 three-year period. This subsection (1) ~~shall~~ DOES not apply to income tax
15 or to any tax imposed under article 23.5 of this title 39.

16 **SECTION 9.** In Colorado Revised Statutes, 39-21-108, **amend**
17 (1)(a); and **add** (1)(c) as follows:

18 **39-21-108. Refunds.** (1) (a) (I) In the case of income tax imposed
19 by article 22 of this title 39, except as provided in section 39-22-601.5,
20 the taxpayer must file any claim for refund or credit for any year not later
21 than the period provided for filing a claim for refund of federal income
22 tax plus one year. The department shall not pay any refund for which the
23 claim is filed later than the period provided for the payment of a refund
24 of federal income tax plus one year. However, no refund or credit of
25 income tax may be made to any taxpayer who fails to file a return
26 pursuant to section 39-22-601 within four years from the date the return
27 was required to be filed. Except in the case of failure to file a return or the

1 filing of a false or fraudulent return with intent to evade tax and otherwise
2 notwithstanding any provision of law, the statute of limitations relating
3 to claims for refund or credit for any year shall not expire prior to the
4 expiration of the time within which a deficiency for such year could be
5 assessed.

6 (II) In the case of the charge on oil and gas production imposed
7 by article 60 of title 34, ~~and~~ THE PRODUCTION FEE FOR CLEAN TRANSIT
8 IMPOSED BY SECTION 43-4-1204, THE PRODUCTION FEE FOR WILDLIFE AND
9 LAND REMEDIATION IMPOSED BY SECTION 33-61-103, the passenger-mile
10 tax imposed by article 3 of title 42, ~~or~~ AND the severance tax imposed by
11 article 29 of this title 39, the ~~taxpayer~~ PAYER shall file any claim for
12 refund or credit for any period not later than three years after the date of
13 payment.

14 (III) Claims for refund of other taxes covered by this article 21
15 must be made within the time limits expressly provided for the specific
16 taxes involved. ~~Except as provided in section 39-21-105, no suit for~~
17 ~~refund may be commenced.~~ This subsection (1) does not apply to sales
18 and use taxes.

19 (c) EXCEPT AS PROVIDED IN SECTION 39-21-105, NO SUIT FOR
20 REFUND MAY BE COMMENCED.

21 **SECTION 10.** In Colorado Revised Statutes, 39-21-119.5,
22 **amend** (4)(k) and (4)(l); and **add** (4)(m) as follows:

23 **39-21-119.5. Mandatory electronic filing of returns -**
24 **mandatory electronic payment - penalty - waiver - definitions.**

25 (4) Except as provided in subsection (6) of this section, on and after
26 August 2, 2019, electronic filing of returns and the payment of any tax or
27 fee by electronic funds transfer is required for the following:

1 (k) Any clean fleet per ride fee and air pollution mitigation per
2 ride fee return required to be filed and payment required pursuant to
3 section 40-10.1-607.5; ~~and~~

4 (l) Any quarterly report for the advance payment of an income tax
5 credit required to be filed pursuant to section 39-22-629 (2)(b); AND

6 (m) ANY PRODUCTION FEE FOR WILDLIFE AND LAND REMEDIATION
7 AND PRODUCTION FEE FOR CLEAN TRANSIT RETURN REQUIRED TO BE FILED
8 AND PAYMENT REQUIRED TO BE MADE PURSUANT TO ARTICLE 61 OF TITLE
9 33 AND SECTION 43-4-1204.

10 **SECTION 11.** In Colorado Revised Statutes, **add** 43-1-132 as
11 follows:

12 **43-1-132. Restrictions on the use of transportation - related**
13 **fees - definition - repeal.** (1) IF A CONSTITUTIONAL AMENDMENT IS
14 ADOPTED AT THE 2024 STATEWIDE GENERAL ELECTION THAT REQUIRES,
15 AMONG OTHER THINGS, VOTER APPROVAL OF FEES ASSESSED FOR THE
16 PURPOSE OF, OR THAT MAY BE USED FOR, FUNDING MASS TRANSPORTATION
17 SUCH AS BUS, LIGHT RAIL, HIGH-SPEED RAIL, PASSENGER RAIL, OR FIXED
18 RAIL PROJECTS, SUCH AS THE PRODUCTION FEE FOR CLEAN TRANSIT
19 IMPOSED PURSUANT TO SECTION 43-4-1204, THE PRODUCTION FEE FOR
20 WILDLIFE AND LAND REMEDIATION IMPOSED PURSUANT TO SECTION
21 33-61-103, AND THE CONGESTION IMPACT FEE IMPOSED PURSUANT TO
22 SECTION 43-4-806 (7.6), THE FOLLOWING PROVISIONS APPLY:

23 (a) ABSENT VOTER APPROVAL REQUIRED BY THE CONSTITUTIONAL
24 AMENDMENT DESCRIBED IN THIS SUBSECTION (1), A FEE TO WHICH THE
25 CONSTITUTIONAL AMENDMENT WOULD OTHERWISE APPLY MUST BE
26 ASSESSED TO FUND ONLY THE TYPES OF SURFACE TRANSPORTATION
27 INFRASTRUCTURE FOR WHICH THE FEE IS ALREADY AUTHORIZED; EXCEPT

1 THAT THE FEE SHALL NOT BE ASSESSED AND USED FOR MASS
2 TRANSPORTATION SUCH AS BUS, LIGHT RAIL, HIGH-SPEED RAIL, PASSENGER
3 RAIL, OR FIXED RAIL PROJECTS.

4 (b) AS USED IN THE CONSTITUTIONAL AMENDMENT DESCRIBED IN
5 THIS SUBSECTION (1) AND IN THIS SUBSECTION (1):

6 (I) "MASS TRANSPORTATION SUCH AS BUS, LIGHT RAIL,
7 HIGH-SPEED RAIL, PASSENGER RAIL, OR FIXED RAIL PROJECTS" MEANS ANY
8 BUS, LIGHT RAIL, HIGH-SPEED RAIL, PASSENGER RAIL, OR FIXED RAIL
9 PROJECTS THAT ARE CAPITAL PROJECTS AND THAT INVOLVE
10 CONSTRUCTION OR ACQUISITION OF NEW INFRASTRUCTURE.

11 (II) "MASS TRANSPORTATION SUCH AS BUS, LIGHT RAIL,
12 HIGH-SPEED RAIL, PASSENGER RAIL, OR FIXED RAIL PROJECTS" DOES NOT
13 INCLUDE:

14 (A) ROADS, HIGHWAYS, BRIDGES, AND ANY OTHER SURFACE
15 TRANSPORTATION INFRASTRUCTURE ON WHICH MOTOR VEHICLES
16 OPERATE, INCLUDING INFRASTRUCTURE ON WHICH MOTOR VEHICLES
17 OPERATE THAT HAS MASS TRANSPORTATION COMPONENTS OR BENEFITS
18 MASS TRANSPORTATION RIDERSHIP, INCLUDING DEDICATED BUS LANES
19 THAT OPERATE ON HIGHWAYS, RAIL LINES THAT OPERATE WITHIN A
20 HIGHWAY RIGHT-OF-WAY, AND PARKING STRUCTURES WITHIN A HIGHWAY
21 RIGHT-OF-WAY THAT SERVE MASS TRANSIT RIDERS; OR

22 (B) MASS TRANSIT OPERATIONS COSTS, INCLUDING MAINTENANCE,
23 FACILITIES UPKEEP, STAFF SALARIES AND WAGES, AND RELATED
24 OPERATIONS EXPENSES.

25 ==
26 (2) IF A CONSTITUTIONAL AMENDMENT THAT REQUIRES, AMONG
27 OTHER THINGS, VOTER APPROVAL OF FEES ASSESSED FOR THE PURPOSE OF

1 FUNDING MASS TRANSPORTATION SUCH AS BUS, LIGHT RAIL, HIGH-SPEED
2 RAIL, PASSENGER RAIL, OR FIXED RAIL PROJECTS IS NOT ADOPTED AT THE
3 2024 STATEWIDE GENERAL ELECTION, THIS SECTION IS REPEALED,
4 EFFECTIVE JUNE 30, 2025.

5 **SECTION 12.** In Colorado Revised Statutes, **add** 43-1-132 as
6 follows:

7 **43-1-132. Restrictions on the use of transportation - related**
8 **fees - definition - repeal.** (1) IF A CONSTITUTIONAL AMENDMENT IS
9 ADOPTED AT THE 2024 STATEWIDE GENERAL ELECTION THAT REQUIRES,
10 AMONG OTHER THINGS, VOTER APPROVAL OF FEES ASSESSED FOR THE
11 PURPOSE OF, OR THAT MAY BE USED FOR, FUNDING MASS TRANSPORTATION
12 SUCH AS BUS, LIGHT RAIL, HIGH-SPEED RAIL, PASSENGER RAIL, OR FIXED
13 RAIL PROJECTS, SUCH AS THE PRODUCTION FEE FOR CLEAN TRANSIT
14 IMPOSED PURSUANT TO SECTION 43-4-1204 AND THE PRODUCTION FEE FOR
15 WILDLIFE AND LAND REMEDIATION IMPOSED PURSUANT TO SECTION
16 33-61-103, THE FOLLOWING PROVISIONS APPLY:

17 (a) ABSENT VOTER APPROVAL REQUIRED BY THE CONSTITUTIONAL
18 AMENDMENT DESCRIBED IN THIS SUBSECTION (1), A FEE TO WHICH THE
19 CONSTITUTIONAL AMENDMENT WOULD OTHERWISE APPLY MUST BE
20 ASSESSED TO FUND ONLY THE TYPES OF SURFACE TRANSPORTATION
21 INFRASTRUCTURE FOR WHICH THE FEE IS ALREADY AUTHORIZED; EXCEPT
22 THAT THE FEE SHALL NOT BE ASSESSED AND USED FOR MASS
23 TRANSPORTATION SUCH AS BUS, LIGHT RAIL, HIGH-SPEED RAIL, PASSENGER
24 RAIL, OR FIXED RAIL PROJECTS.

25 (b) AS USED IN THE CONSTITUTIONAL AMENDMENT DESCRIBED IN
26 THIS SUBSECTION (1) AND IN THIS SUBSECTION (1):

27 (I) "MASS TRANSPORTATION SUCH AS BUS, LIGHT RAIL,

1 HIGH-SPEED RAIL, PASSENGER RAIL, OR FIXED RAIL PROJECTS" MEANS ANY
2 BUS, LIGHT RAIL, HIGH-SPEED RAIL, PASSENGER RAIL, OR FIXED RAIL
3 PROJECTS THAT ARE CAPITAL PROJECTS AND THAT INVOLVE
4 CONSTRUCTION OR ACQUISITION OF NEW INFRASTRUCTURE.

5 (II) "MASS TRANSPORTATION SUCH AS BUS, LIGHT RAIL,
6 HIGH-SPEED RAIL, PASSENGER RAIL, OR FIXED RAIL PROJECTS" DOES NOT
7 INCLUDE:

8 (A) ROADS, HIGHWAYS, BRIDGES, AND ANY OTHER SURFACE
9 TRANSPORTATION INFRASTRUCTURE ON WHICH MOTOR VEHICLES
10 OPERATE, INCLUDING INFRASTRUCTURE ON WHICH MOTOR VEHICLES
11 OPERATE THAT HAS MASS TRANSPORTATION COMPONENTS OR BENEFITS
12 MASS TRANSPORTATION RIDERSHIP, INCLUDING DEDICATED BUS LANES
13 THAT OPERATE ON HIGHWAYS, RAIL LINES THAT OPERATE WITHIN A
14 HIGHWAY RIGHT-OF-WAY, AND PARKING STRUCTURES WITHIN A HIGHWAY
15 RIGHT-OF-WAY THAT SERVE MASS TRANSIT RIDERS; OR

16 (B) MASS TRANSIT OPERATIONS COSTS, INCLUDING MAINTENANCE,
17 FACILITIES UPKEEP, STAFF SALARIES AND WAGES, AND RELATED
18 OPERATIONS EXPENSES.

19 ==
20 (2) IF A CONSTITUTIONAL AMENDMENT THAT REQUIRES, AMONG
21 OTHER THINGS, VOTER APPROVAL OF FEES ASSESSED FOR THE PURPOSE OF
22 FUNDING MASS TRANSPORTATION SUCH AS BUS, LIGHT RAIL, HIGH-SPEED
23 RAIL, PASSENGER RAIL, OR FIXED RAIL PROJECTS IS NOT ADOPTED AT THE
24 2024 STATEWIDE GENERAL ELECTION, THIS SECTION IS REPEALED,
25 EFFECTIVE JUNE 30, 2025.

26 **SECTION 13. In Colorado Revised Statutes, add 24-77-109 as**
27 **follows:**

1 **24-77-109. Definition of fee - scope - definitions - repeal. (1)** IF
2 A CONSTITUTIONAL AMENDMENT IS ADOPTED AT THE 2024 STATEWIDE
3 GENERAL ELECTION THAT AMENDS SECTION 20 OF ARTICLE X OF THE
4 COLORADO CONSTITUTION TO DEFINE THE TERM "FEE", THE FOLLOWING
5 PROVISIONS APPLY:

6 (a) THE CONSTITUTIONAL AMENDMENT DESCRIBED IN THIS
7 SUBSECTION (1) APPLIES TO FEES INCREASED ONLY BY:

8 (I) LEGISLATION ENACTED BY THE GENERAL ASSEMBLY ON OR
9 AFTER THE EFFECTIVE DATE OF THE CONSTITUTIONAL AMENDMENT;

10 (II) RULES OF THE APPLICABLE RULE-MAKING AUTHORITY ON OR
11 AFTER THE EFFECTIVE DATE OF THE CONSTITUTIONAL AMENDMENT; AND

12 (III) FORMAL APPROVAL OR ENACTMENT BY A GOVERNING BOARD
13 WITH LEGAL AUTHORITY TO ASSESS AND RAISE FEES ON OR AFTER THE
14 EFFECTIVE DATE OF THE CONSTITUTIONAL AMENDMENT.

15 (b) IF A FEE EXISTS IN STATE LAW OR RULES BEFORE THE EFFECTIVE
16 DATE OF THE CONSTITUTIONAL AMENDMENT AND IS SUBJECT TO A
17 TIMEFRAME, SCHEDULE, ADJUSTMENT, OR MATHEMATICAL FORMULA WITH
18 PREDETERMINED OBJECTIVE COMPONENTS FOR INCREASING THE FEE, ANY
19 INCREASE TO THE FEE AMOUNT DOES NOT CONSTITUTE AN INCREASE FOR
20 THE PURPOSE OF THE CONSTITUTIONAL AMENDMENT DESCRIBED IN THIS
21 SUBSECTION (1).

22 (c) THE CONSTITUTIONAL AMENDMENT DESCRIBED IN THIS
23 SUBSECTION (1) DOES NOT APPLY TO FEES ESTABLISHED BEFORE THE
24 EFFECTIVE DATE OF THE CONSTITUTIONAL AMENDMENT. A FEE IS
25 ESTABLISHED BEFORE THE EFFECTIVE DATE OF THE CONSTITUTIONAL
26 AMENDMENT IF, REGARDLESS OF WHEN THE FEE BEGINS TO BE CHARGED
27 OR OTHERWISE ASSESSED, THE FEE IS CREATED BY LEGISLATION OR RULES

1 ENACTED OR ADOPTED BEFORE THE EFFECTIVE DATE OF THE
2 CONSTITUTIONAL AMENDMENT OR THE FEE IS CREATED BY A
3 CITIZEN-INITIATED MEASURE THAT TAKES EFFECT BEFORE THE EFFECTIVE
4 DATE OF THE CONSTITUTIONAL AMENDMENT.

5 (d) AS USED IN THE CONSTITUTIONAL AMENDMENT DESCRIBED IN
6 THIS SUBSECTION (1) AND AS USED IN THIS SUBSECTION (1):

7 (I) "COSTS INCURRED BY THE GOVERNMENT IN PROVIDING SAID
8 SPECIFIC BENEFIT" MEANS ALL DIRECT AND INDIRECT COSTS A
9 GOVERNMENTAL ENTITY INCURS TO PROVIDE A SPECIFIC BENEFIT,
10 INCLUDING ADMINISTRATIVE EXPENSES, SALARIES AND WAGES, COSTS OF
11 MATERIALS, RENTALS OF REAL AND PERSONAL PROPERTY, OVERHEAD,
12 PAYMENTS TO CONTRACTORS, AND ANY OTHER COSTS INCURRED TO
13 PROVIDE THE SPECIFIC BENEFIT.

14 (II) (A) "FAIR SHARE" MEANS THE TOTAL ANTICIPATED COSTS
15 INCURRED BY THE GOVERNMENT IN PROVIDING A SPECIFIC BENEFIT DURING
16 THE STATE FISCAL YEAR DIVIDED BY THE ANTICIPATED NUMBER OF PAYERS
17 OF THE FEE DURING THE STATE FISCAL YEAR.

18 (B) "FAIR SHARE" DOES NOT MEAN A MATHEMATICAL CERTAINTY
19 OR APPROXIMATION OF THE PAYER'S TOTAL BENEFIT IN COMPARISON TO
20 THE TOTAL PAYERS THAT REMIT THE FEE.

21 (III) "SPECIFIC BENEFIT" MEANS A SERVICE, ITEM, OR OTHER TYPE
22 OF DIRECT OR INDIRECT BENEFIT CONFERRED ON THE PAYER OF THE FEE,
23 WHICH MAY INCLUDE BENEFITS REALIZED THROUGH INVESTMENTS IN
24 PUBLIC PRIORITIES, NEEDS, INTERESTS, PROGRAMS, INFRASTRUCTURE, AND
25 SERVICES, REGARDLESS OF WHETHER THE SPECIFIC BENEFIT IS DIRECTLY
26 USED BY THE PAYER, WHETHER THE PAYER CHOOSES TO AVAIL THEMSELF
27 OF THE SPECIFIC BENEFIT, AND WHETHER THE SPECIFIC BENEFITS ARE MADE

1 AVAILABLE TO PERSONS THAT DO NOT PAY THE FEE.

2 (IV) "VOLUNTARILY INCURRED" MEANS A PAYER IS NOT
3 FORMALLY COMPELLED, REQUIRED, OR MANDATED TO PAY A FEE AND HAS
4 THE ABILITY TO REFUSE, TAKE ACTION, OR OPT TO TAKE NO ACTION TO
5 AVOID INCURRING THE FEE. A PAYER'S ACTUAL ABILITY TO REFUSE
6 SERVICES OR OPT NOT TO PURCHASE PROPERTY THAT IS CONNECTED WITH
7 A FEE IS EVIDENCE THAT A FEE IS VOLUNTARILY INCURRED.

8 (2) AS USED IN THIS SECTION, "FEE" MEANS ANY FEE CHARGED FOR
9 REMEDICATION SERVICES THAT POSITIVELY IMPACT THE ENVIRONMENT,
10 SUCH AS THE PRODUCTION FEE FOR CLEAN TRANSIT IMPOSED PURSUANT TO
11 SECTION 43-4-1204, THE PRODUCTION FEE FOR WILDLIFE AND LAND
12 REMEDICATION IMPOSED PURSUANT TO SECTION 33-61-103, AND THE
13 CONGESTION IMPACT FEE IMPOSED PURSUANT TO SECTION 43-4-806(7.6).

14 (3) IF A CONSTITUTIONAL AMENDMENT THAT AMENDS SECTION 20
15 OF ARTICLE X OF THE COLORADO CONSTITUTION TO DEFINE THE TERM
16 "FEE" IS NOT ADOPTED AT THE 2024 STATEWIDE GENERAL ELECTION, THIS
17 SECTION IS REPEALED, EFFECTIVE JUNE 30, 2025.

18 **SECTION 14.** In Colorado Revised Statutes, **add 24-77-109 as**
19 **follows:**

20 **24-77-109. Definition of fee - scope - definitions - repeal.** (1) IF
21 A CONSTITUTIONAL AMENDMENT IS ADOPTED AT THE 2024 STATEWIDE
22 GENERAL ELECTION THAT AMENDS SECTION 20 OF ARTICLE X OF THE
23 COLORADO CONSTITUTION TO DEFINE THE TERM "FEE", THE FOLLOWING
24 PROVISIONS APPLY:

25 (a) THE CONSTITUTIONAL AMENDMENT DESCRIBED IN THIS
26 SUBSECTION (1) APPLIES TO FEES INCREASED ONLY BY:

27 (I) LEGISLATION ENACTED BY THE GENERAL ASSEMBLY ON OR

1 AFTER THE EFFECTIVE DATE OF THE CONSTITUTIONAL AMENDMENT;

2 (II) RULES OF THE APPLICABLE RULE-MAKING AUTHORITY ON OR
3 AFTER THE EFFECTIVE DATE OF THE CONSTITUTIONAL AMENDMENT; AND

4 (III) FORMAL APPROVAL OR ENACTMENT BY A GOVERNING BOARD
5 WITH LEGAL AUTHORITY TO ASSESS AND RAISE FEES ON OR AFTER THE
6 EFFECTIVE DATE OF THE CONSTITUTIONAL AMENDMENT.

7 (b) IF A FEE EXISTS IN STATE LAW OR RULES BEFORE THE EFFECTIVE
8 DATE OF THE CONSTITUTIONAL AMENDMENT AND IS SUBJECT TO A
9 TIMEFRAME, SCHEDULE, ADJUSTMENT, OR MATHEMATICAL FORMULA WITH
10 PREDETERMINED OBJECTIVE COMPONENTS FOR INCREASING THE FEE, ANY
11 INCREASE TO THE FEE AMOUNT DOES NOT CONSTITUTE AN INCREASE FOR
12 THE PURPOSE OF THE CONSTITUTIONAL AMENDMENT DESCRIBED IN THIS
13 SUBSECTION (1).

14 (c) THE CONSTITUTIONAL AMENDMENT DESCRIBED IN THIS
15 SUBSECTION (1) DOES NOT APPLY TO FEES ESTABLISHED BEFORE THE
16 EFFECTIVE DATE OF THE CONSTITUTIONAL AMENDMENT. A FEE IS
17 ESTABLISHED BEFORE THE EFFECTIVE DATE OF THE CONSTITUTIONAL
18 AMENDMENT IF, REGARDLESS OF WHEN THE FEE BEGINS TO BE CHARGED
19 OR OTHERWISE ASSESSED, THE FEE IS CREATED BY LEGISLATION OR RULES
20 ENACTED OR ADOPTED BEFORE THE EFFECTIVE DATE OF THE
21 CONSTITUTIONAL AMENDMENT OR THE FEE IS CREATED BY A
22 CITIZEN-INITIATED MEASURE THAT TAKES EFFECT BEFORE THE EFFECTIVE
23 DATE OF THE CONSTITUTIONAL AMENDMENT.

24 (d) AS USED IN THE CONSTITUTIONAL AMENDMENT DESCRIBED IN
25 THIS SUBSECTION (1) AND AS USED IN THIS SUBSECTION (1):

26 (I) "COSTS INCURRED BY THE GOVERNMENT IN PROVIDING SAID
27 SPECIFIC BENEFIT" MEANS ALL DIRECT AND INDIRECT COSTS A

1 GOVERNMENTAL ENTITY INCURS TO PROVIDE A SPECIFIC BENEFIT,
2 INCLUDING ADMINISTRATIVE EXPENSES, SALARIES AND WAGES, COSTS OF
3 MATERIALS, RENTALS OF REAL AND PERSONAL PROPERTY, OVERHEAD,
4 PAYMENTS TO CONTRACTORS, AND ANY OTHER COSTS INCURRED TO
5 PROVIDE THE SPECIFIC BENEFIT.

6 (II) (A) "FAIR SHARE" MEANS THE TOTAL ANTICIPATED COSTS
7 INCURRED BY THE GOVERNMENT IN PROVIDING A SPECIFIC BENEFIT DURING
8 THE STATE FISCAL YEAR DIVIDED BY THE ANTICIPATED NUMBER OF PAYERS
9 OF THE FEE DURING THE STATE FISCAL YEAR.

10 (B) "FAIR SHARE" DOES NOT MEAN A MATHEMATICAL CERTAINTY
11 OR APPROXIMATION OF THE PAYER'S TOTAL BENEFIT IN COMPARISON TO
12 THE TOTAL PAYERS THAT REMIT THE FEE.

13 (III) "SPECIFIC BENEFIT" MEANS A SERVICE, ITEM, OR OTHER TYPE
14 OF DIRECT OR INDIRECT BENEFIT CONFERRED ON THE PAYER OF THE FEE,
15 WHICH MAY INCLUDE BENEFITS REALIZED THROUGH INVESTMENTS IN
16 PUBLIC PRIORITIES, NEEDS, INTERESTS, PROGRAMS, INFRASTRUCTURE, AND
17 SERVICES, REGARDLESS OF WHETHER THE SPECIFIC BENEFIT IS DIRECTLY
18 USED BY THE PAYER, WHETHER THE PAYER CHOOSES TO AVAIL THEMSELF
19 OF THE SPECIFIC BENEFIT, AND WHETHER THE SPECIFIC BENEFITS ARE MADE
20 AVAILABLE TO PERSONS THAT DO NOT PAY THE FEE.

21 (IV) "VOLUNTARILY INCURRED" MEANS A PAYER IS NOT
22 FORMALLY COMPELLED, REQUIRED, OR MANDATED TO PAY A FEE AND HAS
23 THE ABILITY TO REFUSE, TAKE ACTION, OR OPT TO TAKE NO ACTION TO
24 AVOID INCURRING THE FEE. A PAYER'S ACTUAL ABILITY TO REFUSE
25 SERVICES OR OPT NOT TO PURCHASE PROPERTY THAT IS CONNECTED WITH
26 A FEE IS EVIDENCE THAT A FEE IS VOLUNTARILY INCURRED.

27 (2) AS USED IN THIS SECTION, "FEE" MEANS ANY FEE CHARGED FOR

1 REMEDATION SERVICES THAT POSITIVELY IMPACT THE ENVIRONMENT,
2 SUCH AS THE PRODUCTION FEE FOR CLEAN TRANSIT IMPOSED PURSUANT TO
3 SECTION 43-4-1204 AND THE PRODUCTION FEE FOR WILDLIFE AND LAND
4 REMEDATION IMPOSED PURSUANT TO SECTION 33-61-103.

5 (3) IF A CONSTITUTIONAL AMENDMENT THAT AMENDS SECTION 20
6 OF ARTICLE X OF THE COLORADO CONSTITUTION TO DEFINE THE TERM
7 "FEE" IS NOT ADOPTED AT THE 2024 STATEWIDE GENERAL ELECTION, THIS
8 SECTION IS REPEALED, EFFECTIVE JUNE 30, 2025.

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

12 (2) (a) Sections 11 and 13 of this act take effect only if Senate Bill
13 24-184 becomes law, in which case sections 11 and 13 of this act take
14 effect upon passage.

15 (b) Sections 12 and 14 of this act take effect only if Senate Bill
16 24-184 does not become law, in which case sections 12 and 14 of this act
17 take effect upon passage.

18 **SECTION 16. Severability.** If any provision of this act or the
19 application thereof to any person or circumstance is held invalid, such
20 invalidity does not affect other provisions or applications of the act that
21 can be given effect without the invalid provision or application, and to
22 this end the provisions of this act are declared to be severable.

23 **SECTION 17. Safety clause.** The general assembly finds,
24 determines, and declares that this act is necessary for the immediate
25 preservation of the public peace, health, or safety or for appropriations for
26 the support and maintenance of the departments of the state and state
27 institutions.