

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

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 26-0227.01 Pierce Lively x2059

**HOUSE BILL 26-1065**

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**HOUSE SPONSORSHIP**

**McCluskie and Woodrow**, Boesenecker, Camacho, Jackson, Lindsay, Paschal, Stewart R.,  
Velasco, Zokaie

**SENATE SPONSORSHIP**

**Roberts and Exum**, Hinrichsen, Jodeh, Kipp

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**House Committees**

Finance  
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**A BILL FOR AN ACT**

101 **CONCERNING TRANSIT AND HOUSING INVESTMENT ZONES, AND, IN**  
102 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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**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>.)*

**Section 2** of the bill creates the "Transit Investment Area Act" and:

- Creates a mechanism for a local government and transit agency, subject to state approval, to undertake a transit investment project (project), to designate a transit investment area (area) in which the project will be built,

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.

and to create a transit investment authority (authority) or to designate other financing entities with the power to receive and use the increment of revenue derived from the state sales tax collected in the area that is equal to the amount of state sales tax revenue collected in an area above a designated base amount plus 20% of that same revenue (state sales tax increment revenue) to be used to finance eligible improvements related to the project;

- Allows a local government to apply to the office of economic development and the Colorado economic development commission (commission) to undertake a project, and, in connection with the project, to form an authority or to designate a county revitalization authority, metropolitan district, or urban renewal authority as the approved financing entity;
- Specifies the information that a local government is required to include in the application for a project and the criteria that the project is required to satisfy to be approved;
- Requires the director of the office of economic development (director) to review each application for a project and to make an initial determination regarding whether the application meets the specified criteria;
- Requires the director to forward each application to the commission with a recommendation regarding whether the project should be approved;
- Directs the commission to review each application and to approve or reject the project and, as part of the approval of a project, allows the commission to authorize the collection and use of the state sales tax increment revenue for a designated number of years not to exceed 30 years;
- Allows the commission to approve no more than 3 transit investment projects in any calendar year and no more than 6 in total;
- Allows the commission to dedicate no more than \$75 million in a fiscal year to the transit investment projects it approves;
- If requested by the local government, allows the commission to authorize the creation of an authority to receive and spend state sales tax increment revenue;
- Specifies that an authority is governed by a board consisting of a certain number of members appointed by the commission and a certain number of members appointed by the local government;
- Specifies the powers of the authority and the manner in which the state sales tax increment revenue is divided and

- used;
- Requires the financing entity for a project to submit a report containing specified information to the commission; and
- Authorizes a county revitalization authority, an urban renewal authority, or a metropolitan district to receive and disburse the state sales tax increment revenue generated within an area and to act as the financing entity for the area.

**Section 9** creates the Colorado affordable housing in transit investment zones tax credit (tax credit). The tax credit is administered in the same manner as the Colorado affordable housing in transit-oriented communities tax credit; except that the tax credit is awarded in connection with qualified low- and middle-income housing projects in transit and housing zones. The bill allows \$50 million of credits to be awarded each calendar year beginning in the 2027 calendar year through the 2033 calendar year.

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

2 **SECTION 1. Legislative declaration.**

3 (1) The general assembly finds and declares that:

4 (a) Colorado has invested significantly in public transit systems  
5 in the last several decades, funding over six billion dollars across  
6 eighty-five miles of new rail lines along the front range;

7 (b) Investments in public transit systems across Colorado will  
8 continue in the coming years with new bus rapid transit lines, rail  
9 systems, and upgrades to local, intercity, and regional bus services;

10 (c) Despite recent investments in public transit systems across  
11 Colorado, transit ridership in Colorado lags behind peer states around the  
12 country, due in part to a lack of housing near these transit lines and  
13 infrastructure barriers that can make it challenging for people to access  
14 transit stations;

15 (d) Encouraging more housing near transit is important for  
16 increasing transit ridership and improving the cost-effectiveness of transit

1 services;

2 (e) Researchers have found that higher residential densities  
3 citywide increase cost-effectiveness for light rail and bus rapid transit  
4 services, as described in the article "Cost of a Ride: The Effects of  
5 Densities on Fixed-Guideway Transit Ridership and Costs" by Erick  
6 Guerra and Robert Cervero;

7 (f) Most light and commuter rail stations and frequent bus  
8 corridors in Colorado have lower housing unit density than is necessary  
9 to support frequent transit;

10 (g) Based on 2020 census block housing unit data, over ninety  
11 percent of rail stations and eighty-four percent of bus rapid transit and  
12 frequent bus corridors along the front range have fewer than fifteen  
13 housing units per acre on average within walking distance, while  
14 researchers have generally found that a minimum of fifteen housing units  
15 per acre of built density is needed to support frequent transit;

16 (h) Transit-oriented development, including connecting housing  
17 opportunities and services with safe multimodal infrastructure and public  
18 transit, improves the accessibility of communities for people with  
19 disabilities and limited mobility;

20 (i) People with disabilities are more likely to live in households  
21 with zero cars, are less likely to drive, and are more likely to rely on  
22 public transit or paratransit, according to the 2017 "National Household  
23 Travel Survey";

24 (j) The design of the built environment surrounding transit  
25 stations, including the presence of sidewalks, crosswalks, bike lanes, and  
26 other multimodal infrastructure, influences the accessibility to transit  
27 stations and overall transit ridership, as identified by studies such as

1 "Travel and the Built Environment: A Meta-Analysis" by Reid Ewing and  
2 Robert Cervero, and "Transit commuting, the network accessibility effect,  
3 and the built environment in station areas across the United States" in the  
4 journal Research in Transportation Economics;

5 (k) Improvements to the design of the built environment  
6 surrounding transit stations support placemaking, which is the process of  
7 intentionally planning, designing, and building infrastructure and housing  
8 that capitalize on a community's amenities and culture;

9 (l) Placemaking can enhance the desirability of a given  
10 community and the well-being of those who live in, work in, or visit a  
11 given community, and can create a strong demand for housing in a  
12 community;

13 (m) The 2023 Community and Transportation Preferences Survey  
14 published by the National Association of Realtors found that when  
15 deciding where to live, seventy-nine percent of people said being within  
16 an easy walk of other places and things, such as shops and parks, is  
17 very/somewhat important, eighty-five percent said sidewalks and places  
18 to walk are very/somewhat important, and sixty-five percent said having  
19 public transport nearby is very/somewhat important; and

20 (n) The 1998 Assessment of the Economic Impacts of Rural  
21 Public Transportation published by the Transit Cooperative Research  
22 Program, which assessed the economic impacts of rural public  
23 transportation, found that there was an eleven percent difference in  
24 average net earnings growth between rural counties that had public transit  
25 systems and those rural counties that did not.

26 (2) (a) Pursuant to section 39-26-104 (3), sales delivered to a  
27 purchaser within a transit investment area are properly sourced to the

1 transit investment area;

2 (b) Due to technical limitations, the increment calculation can  
3 only factor in sales made in person within the TIF area, even though  
4 additional online and delivery sales will be induced through more housing  
5 availability and attractive living options due to transit access provided;

6 (c) According to the United States census bureau's Quarterly  
7 Retail E-Commerce Sales Report, approximately fifteen percent of sales  
8 nationally are made online, and therefore we assume that of the calculated  
9 increment from in-person sales, inflating by an additional twenty percent  
10 were unable to be captured due to technical limitations, but would  
11 otherwise be included in the allocated increment; and

12 (d) Therefore, it may be necessary to allow the department to  
13 allocate a small amount of state sales tax revenue in excess of the state  
14 sales tax collected on in-person sales made within each transit investment  
15 area. A small amount of the general fund is needed to fulfill the increment  
16 that would have been calculated if tracking at that level of detail were  
17 feasible, and is a technical adjustment, not state fiscal year spending.

18 (3) Therefore, by enacting this House Bill 26-1065, the general  
19 assembly intends to establish new financing tools utilizing tax increment  
20 financing to encourage local government efforts to improve infrastructure  
21 near transit and rail stations that will promote placemaking and spur  
22 housing development supported by tax credits, which would not occur  
23 without the enactment of this House Bill 26-1065.

24 (4) Given that communities across the state can use support to  
25 further invest in infrastructure, transit, and housing, the general assembly  
26 finds and declares that the new financing options created in this House  
27 Bill 26-1065 are available to communities throughout the state, and this

1 financing option should be used in a manner that considers geographic  
2 diversity.

3 (5) Although this House Bill 26-1065 only allows the Colorado  
4 economic development commission to approve six transit investment  
5 projects, the general assembly anticipates that these transit investment  
6 projects will be successful and it is the intent of the general assembly to  
7 later authorize the Colorado economic development commission to  
8 approve additional transit investment projects as state resources allow.

9 **SECTION 2.** In Colorado Revised Statutes, **add** part 4 to article  
10 46 of title 24 as follows:

11 PART 4

12 TRANSIT INVESTMENT AREA ACT

13 **24-46-401. Short title.**

14 THE SHORT TITLE OF THIS PART 4 IS THE "TRANSIT INVESTMENT  
15 AREA ACT".

16 **24-46-402. Definitions.**

17 AS USED IN THIS PART 4, UNLESS THE CONTEXT OTHERWISE  
18 REQUIRES:

19 (1) "AERIAL TRANSIT FACILITY" MEANS ONE OR MORE PHYSICAL  
20 STRUCTURES THAT USE AERIAL CABLES TO MOVE PASSENGERS AND THAT  
21 LINK DIRECTLY TO ANOTHER FORM OF MASS TRANSIT, SUCH AS PASSENGER  
22 RAIL, LIGHT RAIL, OTHER TYPES OF TRAINS, TROLLEYS, OR BUSES.

23 (2) (a) "BASE YEAR REVENUE" MEANS AN AMOUNT EQUAL TO THE  
24 STATE SALES TAX REVENUE COLLECTED ON IN-PERSON SALES MADE  
25 WITHIN A PROPOSED TRANSIT INVESTMENT AREA DURING THE  
26 TWELVE-MONTH PERIOD IMMEDIATELY PRIOR TO THE MONTH IN WHICH A  
27 TRANSIT INVESTMENT PROJECT IS AUTHORIZED, AS DETERMINED BY THE

1 DEPARTMENT.

2 (b) AFTER THE FIRST TWELVE MONTHS OF COLLECTION AND  
3 DISTRIBUTION PURSUANT TO SECTION 24-46-406 (1), AND ANNUALLY  
4 THEREAFTER, THE DEPARTMENT SHALL ADJUST THE BASE YEAR REVENUE  
5 BY THE AMOUNT OF THE BASELINE GROWTH RATE ESTABLISHED BY THE  
6 COMMISSION PURSUANT TO SECTION 24-46-404 (3)(d)(I).

7 (3) "BASELINE GROWTH RATE" MEANS THE FORECASTED GROWTH  
8 IN STATE SALES TAX REVENUE COLLECTED ON IN-PERSON SALES MADE  
9 WITHIN A PROPOSED TRANSIT INVESTMENT AREA ABOVE THE BASE YEAR  
10 REVENUE THAT WOULD BE COLLECTED ON IN-PERSON SALES MADE WITHIN  
11 A PROPOSED TRANSIT INVESTMENT AREA IF THE PROPOSED TRANSIT  
12 INVESTMENT PROJECT DID NOT OCCUR, AS DETERMINED BY THE OFFICE OF  
13 ECONOMIC DEVELOPMENT PURSUANT TO SECTION 24-46-403 (2), BASED ON  
14 DATA FROM THE PREVIOUS TEN-YEAR PERIOD IMMEDIATELY PRECEDING  
15 THE SUBMISSION OF AN APPLICATION.

16 (4) "BOND" MEANS A BOND OR OTHER CONTRACTUAL OBLIGATION  
17 AND FORM OF INDEBTEDNESS FOR THE PAYMENT OF WHICH A FINANCING  
18 ENTITY HAS PROMISED TO PLEDGE STATE SALES TAX INCREMENT REVENUE  
19 OR ANY OTHER LEGALLY AVAILABLE REVENUES PLEDGED AT THE  
20 DISCRETION OF THE FINANCING ENTITY.

21 (5) "COMMISSION" MEANS THE COLORADO ECONOMIC  
22 DEVELOPMENT COMMISSION CREATED IN SECTION 24-46-102.

23 (6) "COUNTY REVITALIZATION AUTHORITY" HAS THE MEANING SET  
24 FORTH IN SECTION 30-31-103 (6).

25 (7) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE  
26 CREATED IN SECTION 24-35-101.

27 (8) "DIRECTOR" MEANS THE DIRECTOR OF THE COLORADO OFFICE

1 OF ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101.

2 (9) "ELIGIBLE COSTS" MEANS THE COSTS OF:

3 (a) DESIGNING, CONSTRUCTING, FINANCING, AND MAINTAINING  
4 ELIGIBLE IMPROVEMENTS DESIGNATED BY THE COMMISSION AS PART OF AN  
5 APPROVED TRANSIT INVESTMENT PROJECT. THESE COSTS INCLUDE THE  
6 COSTS OF:

7 (I) ENGINEERING, INCLUDING CONSTRUCTION ENGINEERING;

8 (II) SURVEYING, INCLUDING CONSTRUCTION SURVEYING;

9 (III) CONSTRUCTION LABOR AND MATERIALS;

10 (IV) DESIGN, INCLUDING BONDING, INSURANCE, AND PERMITTING  
11 FEES;

12 (V) PLANNING;

13 (VI) LEGAL SERVICES;

14 (VII) ACCOUNTING;

15 (VIII) OVERHEAD OR ADMINISTRATIVE STAFFING;

16 (IX) FINANCING;

17 (X) BOND ISSUANCE OR REISSUANCE AND UNDERWRITING;

18 (XI) INTEREST PAYMENTS;

19 (XII) LOAN ORIGINATION FEES;

20 (XIII) OPERATIONS; AND

21 (XIV) SIMILAR NECESSARY AND CONVENIENT COSTS INCURRED BY  
22 THE FINANCING ENTITY IN EXERCISING ITS POWERS PURSUANT TO THIS  
23 PART 4.

24 (b) FUNDS ADVANCED BY PRIVATE DEVELOPERS WITHIN THE  
25 TRANSIT INVESTMENT PROJECT TO, OR ON BEHALF OF, THE FINANCING  
26 ENTITY FOR ELIGIBLE IMPROVEMENTS, WHETHER A PRIVATE DEVELOPER  
27 ADVANCES THOSE FUNDS PURSUANT TO LOANS OR CONTRACTUAL FUNDING

1 AND REIMBURSEMENT AGREEMENTS;

2 (c) REASONABLE INTEREST ON THE FUNDS ADVANCED BY A  
3 PRIVATE DEVELOPER PURSUANT TO SUBSECTION (8)(b) OF THIS SECTION;

4 (d) A FINANCING ENTITY'S COSTS FOR PURCHASING ELIGIBLE  
5 IMPROVEMENTS CONSTRUCTED AND OWNED BY THIRD PARTIES EITHER  
6 BEFORE OR AFTER DESIGNATION OF THE TRANSIT INVESTMENT PROJECT;  
7 AND

8 (e) COSTS AND EXPENSES INCURRED BY A FINANCING ENTITY  
9 PURSUANT TO SECTION 24-35-123 AND IN COMPLYING WITH ITS ANNUAL  
10 REPORT AND AUDIT OBLIGATIONS UNDER THIS PART 4.

11 (10) "ELIGIBLE IMPROVEMENTS" MEANS THE SPECIFIC  
12 IMPROVEMENTS AUTHORIZED BY THE COMMISSION AS PART OF AN  
13 APPROVED TRANSIT INVESTMENT PROJECT, INCLUDING:

14 (a) ROADS;

15 (b) STREETS;

16 (c) STATE HIGHWAYS;

17 (d) RIGHTS-OF-WAY;

18 (e) LIGHTING;

19 (f) DIRECTION AND LOCATION SIGNAGE AND SIMILAR SIGNAGE;

20 (g) LAND ACQUISITION;

21 (h) SURVEYING, ENGINEERING, SOILS TESTING, SITE PLANNING,  
22 GRADING, AND SIMILAR ACTIVITIES NECESSARY OR CONVENIENT FOR SITE  
23 PREPARATION AND DEVELOPMENT;

24 (i) TRAILS AND PATHS;

25 (j) PUBLIC SAFETY FACILITIES;

26 (k) LANDSCAPING;

27 (l) TRANSPORTATION FACILITIES;

- 1 (m) BICYCLE AND PEDESTRIAN INFRASTRUCTURE;  
2 (n) SURFACE AND STRUCTURED PARKING FACILITIES; AND  
3 (o) ANY OTHER FACILITIES OR IMPROVEMENTS NECESSARY OR  
4 CONVENIENT FOR THE COMPLETION OF AN APPROVED PROJECT.

5 (11) (a) "FINANCING ENTITY" MEANS THE ENTITY DESIGNATED BY  
6 THE COMMISSION IN CONNECTION WITH ITS APPROVAL OF A TRANSIT  
7 INVESTMENT PROJECT TO RECEIVE AND USE STATE SALES TAX INCREMENT  
8 REVENUE.

9 (b) A COUNTY REVITALIZATION AUTHORITY, A METROPOLITAN  
10 DISTRICT, AN URBAN RENEWAL AUTHORITY, OR ANY TRANSIT INVESTMENT  
11 AUTHORITY TO BE FORMED PURSUANT TO THIS PART 4 MAY QUALIFY AS A  
12 FINANCING ENTITY.

13 (12) "FINANCING TERM" MEANS THE AGGREGATE PERIOD NOT TO  
14 EXCEED THIRTY YEARS AUTHORIZED BY THE COMMISSION PURSUANT TO  
15 THIS PART 4 DURING WHICH THE FINANCING ENTITY IS AUTHORIZED TO  
16 RECEIVE AND USE STATE SALES TAX INCREMENT REVENUE TO FINANCE  
17 ELIGIBLE COSTS.

18 (13) "INFLATION OR DEFLATION" MEANS THE ANNUAL PERCENTAGE  
19 CHANGE IN THE UNITED STATES DEPARTMENT OF LABOR'S BUREAU OF  
20 LABOR STATISTICS CONSUMER PRICE INDEX, OR A SUCCESSOR INDEX, FOR  
21 DENVER-AURORA-LAKEWOOD FOR ALL ITEMS PAID FOR BY URBAN  
22 CONSUMERS.

23 (14) "LOCAL GOVERNMENT" MEANS A CITY, COUNTY, CITY AND  
24 COUNTY, TOWN, OR A GROUP OF CONTIGUOUS CITIES, COUNTIES, CITIES  
25 AND COUNTIES, OR TOWNS.

26 (15) "OFFICE OF ECONOMIC DEVELOPMENT" MEANS THE  
27 COLORADO OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION

1 24-48.5-101.

2 (16) "PASSENGER RAIL STATION" HAS THE MEANING SET FORTH IN  
3 SECTION 32-22-102 (8).

4 (17) (a) "STATE SALES TAX INCREMENT REVENUE" MEANS AN  
5 ANNUAL AMOUNT EQUAL TO THE TOTAL OF:

6 (I) THE ANNUAL REVENUE DERIVED FROM STATE SALES TAXES  
7 COLLECTED ON IN-PERSON SALES MADE WITHIN A DESIGNATED TRANSIT  
8 INVESTMENT AREA IN EXCESS OF THE AMOUNT OF BASE YEAR REVENUE  
9 ADJUSTED TO ACCOUNT FOR THE BASELINE GROWTH RATE; AND

10 (II) TWENTY PERCENT OF THE AMOUNT CALCULATED PURSUANT TO  
11 SUBSECTION (17)(a)(I) OF THIS SECTION, WHICH TWENTY PERCENT  
12 APPROXIMATES SALES DELIVERED FROM WITHOUT THE DESIGNATED  
13 TRANSIT INVESTMENT AREA THAT ARE UNABLE TO BE MEASURED AND  
14 THEREFORE NOT INCLUDED AS IN-PERSON SALES MADE WITHIN A  
15 DESIGNATED TRANSIT INVESTMENT AREA.

16 (b) (I) EXCEPT THAT, AS APPLIED FOR A TRANSIT INVESTMENT  
17 AREA THAT IS WITHIN A REGIONAL TOURISM ZONE ESTABLISHED BY THE  
18 COLORADO ECONOMIC DEVELOPMENT COMMISSION PURSUANT TO SECTION  
19 24-46-305 (3), "STATE SALES TAX INCREMENT REVENUE" MEANS AN  
20 ANNUAL AMOUNT EQUAL TO THE LESSER OF:

21 (A) STATE SALES TAX INCREMENT REVENUE AS DETERMINED  
22 PURSUANT TO SUBSECTION (17)(a) OF THIS SECTION; OR

23 (B) THE EXCESS, IF ANY, OF THE REGIONAL TOURISM ACT STATE  
24 SALES TAX INCREMENT REVENUE OVER THE PAYABLE REGIONAL TOURISM  
25 ACT STATE SALES TAX INCREMENT REVENUE.

26 (II) AS USED IN THIS SUBSECTION (17)(b), UNLESS THE CONTEXT  
27 OTHERWISE REQUIRES:

1 (A) "COLORADO ECONOMIC DEVELOPMENT COMMISSION" HAS THE  
2 SAME MEANING AS IN SECTION 24-46-303 (2).

3 (B) "PAYABLE REGIONAL TOURISM ACT STATE SALES TAX  
4 INCREMENT REVENUE" MEANS THE AMOUNT OF REGIONAL TOURISM ACT  
5 STATE SALES TAX INCREMENT REVENUE THAT, PURSUANT TO SECTION  
6 24-46-307 (1)(b), THE DEPARTMENT ALLOCATES AND PAYS INTO A SPECIAL  
7 FUND CREATED BY A FINANCING ENTITY IN ACCORDANCE WITH THE  
8 AMOUNT OF REGIONAL TOURISM ACT STATE SALES TAX INCREMENT  
9 REVENUE AUTHORIZED FOR ALLOCATION BY THE DEPARTMENT TO THE  
10 FINANCING ENTITY BY THE COLORADO ECONOMIC DEVELOPMENT  
11 COMMISSION PURSUANT TO SECTION 24-46-305 (4).

12 (C) "REGIONAL TOURISM ACT STATE SALES TAX INCREMENT  
13 REVENUE" MEANS THE AMOUNT OF "STATE SALES TAX INCREMENT  
14 REVENUE", AS DEFINED IN SECTION 24-46-303 (12), ATTRIBUTED TO THE  
15 PORTION OF A REGIONAL TOURISM ZONE THAT IS WITHIN THE TRANSIT  
16 INVESTMENT AREA.

17 (D) "REGIONAL TOURISM ZONE" HAS THE MEANING SET FORTH IN  
18 SECTION 24-46-303 (11).

19 (18) "TRANSIT AGENCY" MEANS A LOCAL OR REGIONAL TRANSIT  
20 DISTRICT, OR A REGIONAL TRANSPORTATION AUTHORITY THAT PROVIDES  
21 PUBLIC TRANSIT.

22 (19) "TRANSIT AND HOUSING INVESTMENT ZONE" MEANS THE AREA  
23 DESIGNATED BY THE OFFICE OF ECONOMIC DEVELOPMENT IN THE TRANSIT  
24 AND HOUSING INVESTMENT ZONE MAP PURSUANT TO SECTION 24-48.5-136.

25 (20) "TRANSIT INVESTMENT AREA" MEANS A GEOGRAPHIC AREA  
26 THAT IS WITHIN A TRANSIT AND HOUSING INVESTMENT ZONE AND THAT  
27 THE COMMISSION APPROVES AS PART OF A TRANSIT INVESTMENT PROJECT

1 PURSUANT TO SECTION 24-46-404 (3)(d)(I)(B). A TRANSIT INVESTMENT  
2 AREA:

3 (a) SHALL NOT EXTEND INTO THE TERRITORIAL BOUNDARIES OF  
4 ANY LOCAL GOVERNMENT, UNLESS THE LOCAL GOVERNMENT REQUESTS  
5 THAT THE TRANSIT INVESTMENT AREA IS WITHIN ITS BOUNDARIES AT  
6 LEAST IN PART;

7 (b) MAY ONLY INCLUDE PART OF A LOCAL GOVERNMENT'S  
8 JURISDICTION;

9 (c) MAY INCLUDE NONCONTIGUOUS TRACTS OR PARCELS OF  
10 PROPERTY IN THE SAME TRANSIT INVESTMENT AREA; AND

11 (d) MAY EXTEND BEYOND THE RELEVANT TRANSIT INVESTMENT  
12 ZONE DESIGNATED BY THE OFFICE OF ECONOMIC DEVELOPMENT PURSUANT  
13 TO SECTION 24-48.5-136, IF THE RELEVANT TRANSIT INVESTMENT ZONE  
14 ENCOMPASSES A COMMUNITY THAT IS NOT EVENLY DISTRIBUTED DUE TO  
15 GEOGRAPHICAL CONSTRAINT INCLUDING MOUNTAINS, WATER FEATURES,  
16 AND OTHER NATURAL TOPOGRAPHICAL FEATURES, BUT IN SO DOING SHALL  
17 NOT EXTEND FURTHER THAN THREE MILES FROM A TRANSPORTATION  
18 FACILITY AS CALCULATED BY MEASURING THE DISTANCE ALONG A ROAD  
19 OR PEDESTRIAN NETWORK THAT IS USED TO ACCESS THE TRANSPORTATION  
20 FACILITY.

21 (21) "TRANSIT INVESTMENT AUTHORITY" OR "AUTHORITY" MEANS  
22 A CORPORATE BODY ORGANIZED PURSUANT TO THIS PART 4 FOR THE  
23 PURPOSES, WITH THE POWERS, AND SUBJECT TO THE RESTRICTIONS SET  
24 FORTH IN THIS PART 4 AND THE FORMATION OF WHICH HAS BEEN  
25 APPROVED BY THE COMMISSION PURSUANT TO THIS PART 4.

26 (22) "TRANSIT INVESTMENT PROJECT" OR "PROJECT" MEANS A  
27 DEVELOPMENT PROJECT THAT IS PLANNED TO INCLUDE A TRANSPORTATION

1 FACILITY OR SIGNIFICANT IMPROVEMENTS TO A TRANSPORTATION FACILITY  
2 TOGETHER WITH ANCILLARY USES, STRUCTURES, AND IMPROVEMENTS,  
3 AND THAT THE COMMISSION APPROVES PURSUANT TO SECTION 24-46-404  
4 (3).

5 (23) (a) "TRANSIT STATION" MEANS AN IN-PERSON LOCATION  
6 DESIGNED TO INTEGRATE AND FACILITATE THE CONNECTION BETWEEN  
7 MULTIPLE MODES OF TRANSPORTATION, INCLUDING:

- 8 (I) PUBLIC TRANSIT, SUCH AS BUSES;
- 9 (II) LIGHT RAIL, AERIAL TRANSIT, AND COMMUTER RAIL;
- 10 (III) ACTIVE TRANSPORTATION, SUCH AS BICYCLE AND PEDESTRIAN  
11 INFRASTRUCTURE;
- 12 (IV) SHARED MOBILITY SERVICES INCLUDING CAR SHARE, BIKE  
13 SHARE, AND SCOOTER SHARE;
- 14 (V) RIDE-HAILING AND DEMAND-RESPONSIVE SERVICES; AND
- 15 (VI) PRIVATE VEHICLES.

16 (b) A TRANSIT STATION MAY INCLUDE RELATED INFRASTRUCTURE  
17 THAT SUPPORTS SEAMLESS AND EFFICIENT MULTIMODAL TRAVEL, SUCH AS  
18 PARK-AND-RIDE FACILITIES, ELECTRIC VEHICLE CHARGING STATIONS,  
19 BICYCLE STORAGE, WAYFINDING SYSTEMS, AND PASSENGER AMENITIES.

20 (24) "TRANSPORTATION FACILITY" MEANS A TRANSIT STATION OR  
21 PASSENGER RAIL STATION.

22 (25) "URBAN RENEWAL AUTHORITY" HAS THE MEANING SET FORTH  
23 IN SECTION 31-25-103 (8.5).

24 **24-46-403. Transit investment project - application -**  
25 **requirements - transit investment zones cash fund.**

26 (1) BEGINNING JANUARY 1, 2027, A LOCAL GOVERNMENT, EITHER  
27 ALONE OR IN PARTNERSHIP WITH A TRANSIT AGENCY THAT HAS

1 JURISDICTION WITHIN A PROPOSED TRANSIT INVESTMENT AREA, MAY  
2 SUBMIT AN APPLICATION TO THE OFFICE OF ECONOMIC DEVELOPMENT FOR  
3 THE APPROVAL OF A TRANSIT INVESTMENT PROJECT, INCLUDING THE:

- 4 (a) DESIGNATION OF A TRANSIT INVESTMENT AREA;
- 5 (b) CREATION OF A TRANSIT INVESTMENT AUTHORITY, AS  
6 NECESSARY; AND
- 7 (c) DESIGNATION OF A FINANCING ENTITY TO RECEIVE, USE, AND  
8 DISBURSE STATE SALES TAX INCREMENT REVENUE FOR ELIGIBLE COSTS.

9 (2) (a) BEFORE A LOCAL GOVERNMENT SUBMITS AN APPLICATION  
10 FOR A TRANSIT INVESTMENT PROJECT TO THE OFFICE OF ECONOMIC  
11 DEVELOPMENT PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE LOCAL  
12 GOVERNMENT MUST SUBMIT A MAP SHOWING THE PROPOSED BOUNDARIES  
13 OF A PROPOSED TRANSIT INVESTMENT AREA TO THE OFFICE OF ECONOMIC  
14 DEVELOPMENT, ALONG WITH DATA USED TO ESTIMATE THE STATE SALES  
15 TAX INCREMENT REVENUE AND A CALCULATION SHOWING THE PROJECTED  
16 BASELINE GROWTH RATE. THE OFFICE OF ECONOMIC DEVELOPMENT SHALL  
17 VERIFY WHETHER THE PROPOSED TRANSIT INVESTMENT AREA IS WITHIN A  
18 TRANSIT AND HOUSING INVESTMENT ZONE THAT IS ESTABLISHED IN  
19 RELATION TO A TRANSIT FACILITY THAT IS THE SUBJECT OF THE TRANSIT  
20 INVESTMENT PROJECT IN THE LOCAL GOVERNMENT'S APPLICATION  
21 SUBMITTED PURSUANT TO SUBSECTION (1) OF THIS SECTION, AND THE  
22 OFFICE OF ECONOMIC DEVELOPMENT SHALL ENTER INTO A CONTRACT WITH  
23 A THIRD-PARTY ANALYST TO DETERMINE THE BASELINE GROWTH RATE FOR  
24 THE PROPOSED TRANSIT INVESTMENT AREA. IN DETERMINING THE  
25 BASELINE GROWTH RATE, THE CONTRACTED THIRD PARTY SHALL  
26 CONSIDER THE GROWTH RATE FOR THE PROPOSED TRANSIT INVESTMENT  
27 AREA DURING AT LEAST THE PREVIOUS TEN CALENDAR YEARS. THE

1 THIRD-PARTY ANALYST SHALL DELIVER ITS FINDINGS TO THE OFFICE OF  
2 STATE PLANNING AND BUDGETING FOR REVIEW.

3 (b) THE OFFICE OF ECONOMIC DEVELOPMENT MAY CHARGE A  
4 LOCAL GOVERNMENT A SUBMISSION FEE OF UP TO SEVEN THOUSAND FIVE  
5 HUNDRED DOLLARS PER SUBMISSION, AND THE STATE TREASURER SHALL  
6 CREDIT THAT FEE TO THE TRANSIT INVESTMENT ZONES CASH FUND  
7 CREATED IN SUBSECTION (6) OF THIS SECTION, FOR THE COSTS INCURRED  
8 IN CONTRACTING WITH A THIRD-PARTY ANALYST FOR THE DETERMINATION  
9 OF THE BASELINE GROWTH RATE FOR THE PROPOSED TRANSIT INVESTMENT  
10 AREA PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION. THE OFFICE OF  
11 ECONOMIC DEVELOPMENT SHALL ANNUALLY ADJUST FOR INFLATION OR  
12 DEFATION THE FEE REQUIRED PURSUANT TO THIS SUBSECTION (2)(b) AND  
13 SHALL ROUND THE ADJUSTED AMOUNT UPWARD OR DOWNWARD TO THE  
14 NEAREST HUNDRED DOLLARS.

15 (c) THE LOCAL GOVERNMENT AND THE THIRD-PARTY ANALYST  
16 RETAINED PURSUANT TO SUBSECTION (3)(j) OF THIS SECTION SHALL USE  
17 THE BASELINE GROWTH RATE DETERMINED BY A CONTRACTED THIRD  
18 PARTY PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION IN THEIR  
19 ASSUMPTIONS AND ECONOMIC ANALYSES FOR THE PURPOSE OF  
20 CALCULATING THE TOTAL CUMULATIVE DOLLAR AMOUNT AVAILABLE TO  
21 BE PLEDGED TO THE PROPOSED TRANSIT INVESTMENT PROJECT AS  
22 REQUIRED BY SUBSECTIONS (3)(i) AND (3)(j) OF THIS SECTION.

23 (3) A LOCAL GOVERNMENT THAT SUBMITS AN APPLICATION  
24 PURSUANT TO SUBSECTION (1) OF THIS SECTION MUST SUBMIT THE  
25 APPLICATION TO THE OFFICE OF ECONOMIC DEVELOPMENT IN A FORM AND  
26 MANNER TO BE DETERMINED BY THE COMMISSION. AN APPLICATION MUST  
27 INCLUDE AT LEAST:

1 (a) MAPS OF THE PROPOSED PROJECT AREA SHOWING BOTH  
2 CURRENT CONDITIONS AND A CONCEPTUAL RENDERING OF THE PROPOSED  
3 TRANSIT INVESTMENT PROJECT IN ITS ANTICIPATED BUILT CONDITION;

4 (b) A MAP SHOWING THE PROPOSED BOUNDARIES OF THE PROPOSED  
5 TRANSIT INVESTMENT AREA;

6 (c) A NARRATIVE DESCRIPTION OF THE PROPOSED TRANSIT  
7 INVESTMENT PROJECT, INCLUDING:

8 (I) THE LOCATION AND ESTIMATED OVERALL COST;

9 (II) ESTIMATED ELIGIBLE COSTS;

10 (III) THE ANTICIPATED SCOPE AND PHASING OF ELIGIBLE  
11 IMPROVEMENTS;

12 (IV) THE INFRASTRUCTURE EXISTING OR NEEDED IN CONNECTION  
13 WITH THE PROPOSED TRANSIT INVESTMENT PROJECT; AND

14 (V) AN OPERATIONS, MAINTENANCE, AND CAPITAL RESERVE PLAN  
15 FOR THE PROPOSED TRANSIT INVESTMENT PROJECT;

16 (d) A DISCUSSION OF THE APPLICATION CRITERIA ESTABLISHED IN  
17 SUBSECTION (4) OF THIS SECTION AND HOW THE PROPOSED TRANSIT  
18 INVESTMENT PROJECT WILL MEET THE CRITERIA. THIS DISCUSSION SHALL  
19 INCLUDE AN ECONOMIC ANALYSIS DETAILING:

20 (I) PROJECTED ECONOMIC DEVELOPMENT;

21 (II) IMPACT OF THE PROJECT ON FUTURE STATE SALES TAX  
22 REVENUE IN THE TRANSIT INVESTMENT AREA DURING AND AFTER THE  
23 FINANCING TERM; AND

24 (III) ANY OTHER INFORMATION REASONABLY REQUESTED BY THE  
25 COMMISSION;

26 (e) (I) A DESCRIPTION OF THE PROPOSED FINANCING ENTITY; AND

27 (II) A GENERAL DESCRIPTION OF THE PROPOSED FINANCING

1 ENTITY'S PLAN FOR FINANCING THE ELIGIBLE COSTS AND PROVIDING THE  
2 PROPOSED ELIGIBLE IMPROVEMENTS;

3 (f) IF APPLICABLE, A REQUEST FOR AUTHORIZATION OF A TRANSIT  
4 INVESTMENT AUTHORITY, WHICH REQUEST SHALL INCLUDE A DESCRIPTION  
5 OF THE PROPOSED TRANSIT INVESTMENT AUTHORITY'S:

6 (I) GEOGRAPHIC BOUNDARIES;

7 (II) REQUESTED POWERS; AND

8 (III) ANTICIPATED SOURCES OF REVENUE, IF ANY, IN ADDITION TO  
9 STATE SALES TAX INCREMENT REVENUE;

10 (g) IF IT IS ANTICIPATED THAT THE PROPOSED FINANCING ENTITY  
11 WILL ENTER INTO CONTRACTUAL ARRANGEMENTS WITH ONE OR MORE  
12 URBAN RENEWAL AUTHORITIES, METROPOLITAN DISTRICTS, AUTHORITIES  
13 FORMED BY INTERGOVERNMENTAL AGREEMENT AMONG TWO OR MORE  
14 METROPOLITAN DISTRICTS, LOCAL GOVERNMENTS, REGIONAL  
15 TRANSPORTATION AUTHORITIES, OR PRIVATE PARTIES WITH RESPECT TO  
16 THE METHOD OF FINANCING THE ELIGIBLE COSTS AND PROVIDING THE  
17 PROPOSED ELIGIBLE IMPROVEMENTS, A GENERAL DESCRIPTION OF THE  
18 CONTEMPLATED CONTRACTUAL ARRANGEMENTS;

19 (h) IF IT IS ANTICIPATED THAT THE PROPOSED ELIGIBLE  
20 IMPROVEMENTS WILL BE CONSTRUCTED IN PHASES OR THAT FINANCING OF  
21 THE ELIGIBLE COSTS WILL BE ACCOMPLISHED IN PHASES, A DESCRIPTION OF  
22 THE CONTEMPLATED PHASES AND THE ANTICIPATED TIMING OF THE  
23 PHASES;

24 (i) CONCERNING THE FINANCING OF THE PROPOSED ELIGIBLE  
25 PUBLIC IMPROVEMENTS BY THE FINANCING ENTITY, THE FOLLOWING  
26 PROPOSED ITEMS:

27 (I) THE FINANCING TERM;

1 (II) AN ANNUAL DOLLAR AMOUNT OF REVENUE THAT CAN BE  
2 ALLOCATED TO THE FINANCING ENTITY;

3 (III) THE TOTAL CUMULATIVE DOLLAR AMOUNT OF REVENUE THAT  
4 CAN BE ALLOCATED TO THE FINANCING ENTITY; AND

5 (IV) THE PORTION OF THE FINANCING TERM DURING WHICH THE  
6 STATE SALES TAX INCREMENT REVENUE TO BE ALLOCATED TO THE  
7 FINANCING ENTITY IS TO BE ALLOCATED TO THE FINANCING ENTITY;

8 (j) UPON RECEIPT OF AN APPLICATION, THE OFFICE OF ECONOMIC  
9 DEVELOPMENT SHALL COMMISSION A REPORT BY A THIRD-PARTY ANALYST  
10 WHO IS AN EXPERT IN THE FIELD OF ECONOMIC OR PUBLIC FINANCIAL  
11 ANALYSIS CALCULATING THE TOTAL CUMULATIVE DOLLAR AMOUNT  
12 AVAILABLE TO BE PLEDGED TO THE PROPOSED TRANSIT INVESTMENT  
13 PROJECT TO BE SET BY THE COMMISSION PURSUANT TO SECTION 24-46-404  
14 (3). THE REVIEWING THIRD-PARTY ANALYST MUST BE CHOSEN THROUGH  
15 A REQUEST FOR PROPOSALS ISSUED BY THE OFFICE OF ECONOMIC  
16 DEVELOPMENT TO ENSURE AN INDEPENDENT AND THOROUGH ANALYSIS,  
17 AND THE THIRD-PARTY ANALYST SHALL REPORT TO THAT OFFICE. THE  
18 OFFICE OF ECONOMIC DEVELOPMENT SHALL REQUIRE A LOCAL  
19 GOVERNMENT THAT SUBMITS AN APPLICATION PURSUANT TO SUBSECTION  
20 (1) OF THIS SECTION TO PAY THE COSTS FOR THE THIRD-PARTY ANALYST  
21 CHOSEN BY THE OFFICE OF ECONOMIC DEVELOPMENT PURSUANT TO THIS  
22 SUBSECTION (3)(j) TO COMMISSION THE REPORT; EXCEPT THAT, IF THE  
23 OFFICE OF ECONOMIC DEVELOPMENT, IN COLLABORATION WITH THE  
24 DEPARTMENT OF LOCAL AFFAIRS, DETERMINES THAT THE PAYMENT OF  
25 THESE COSTS BY A LOCAL GOVERNMENT WOULD CONSTITUTE AN EXTREME  
26 NEGATIVE FINANCIAL HARDSHIP FOR THE LOCAL GOVERNMENT, THE OFFICE  
27 OF ECONOMIC DEVELOPMENT SHALL PAY THESE COSTS FROM THE TRANSIT

1 INVESTMENT ZONES CASH FUND CREATED IN SUBSECTION (6) OF THIS  
2 SECTION OR, IF THERE IS INSUFFICIENT MONEY IN THE TRANSIT  
3 INVESTMENT ZONES CASH FUND, THE OFFICE OF ECONOMIC DEVELOPMENT  
4 SHALL PAY THESE COSTS FROM THE GENERAL FUND. AS PART OF CREATING  
5 THE REPORT, THE THIRD-PARTY ANALYST MUST:

6 (I) CALCULATE THE TOTAL ANTICIPATED STATE SALES TAX  
7 INCREMENT REVENUE DURING THE FINANCING TERM IN THE PROPOSED  
8 TRANSIT INVESTMENT AREA;

9 (II) CALCULATE THE TOTAL REGIONAL TRANSIT INVESTMENT AREA  
10 STATE SALES TAX INCREMENT REVENUE THAT THE FINANCING ENTITY IS  
11 ELIGIBLE TO RECEIVE; AND

12 (III) ASSESS THE APPLICATION'S SATISFACTION OF THE CRITERIA  
13 DESCRIBED IN SUBSECTION (4) OF THIS SECTION AND THE PROVISION OF  
14 ANY INFORMATION REQUIRED BY THE OFFICE OF ECONOMIC DEVELOPMENT  
15 OR THE COMMISSION.

16 (k) A LOCAL GOVERNMENT THAT SUBMITS AN APPLICATION  
17 PURSUANT TO SUBSECTION (1) OF THIS SECTION MUST SHARE THE DATA  
18 AND ASSUMPTIONS IT USED IN ITS APPLICATION WITH THE THIRD-PARTY  
19 ANALYST, AND THE ANALYST SHALL RELY ON THE DATA AND REASONING  
20 AS IT DEEMS APPROPRIATE IN THE EXERCISE OF ITS INDEPENDENT  
21 JUDGMENT. AN APPLICANT THAT IS DISSATISFIED WITH THE REPORT  
22 PRODUCED BY THE THIRD-PARTY ANALYST MAY REVISE ITS APPLICATION  
23 AND REQUEST THAT THE THIRD-PARTY ANALYST REVISE THE REPORT.

24 (4) AN APPLICATION MUST DEMONSTRATE THAT IT SATISFIES EACH  
25 OF THE FOLLOWING CRITERIA:

26 (a) THE PROPOSED TRANSIT INVESTMENT PROJECT IS REASONABLY  
27 ANTICIPATED TO RESULT IN A SUBSTANTIAL INCREASE IN TRANSIT

1 UTILIZATION;

2 (b) THE BOUNDARIES OF THE PROPOSED TRANSIT INVESTMENT  
3 AREA ARE ONLY AS LARGE AS NECESSARY TO ACCOMPLISH THE PROPOSED  
4 TRANSIT INVESTMENT PROJECT GOALS;

5 (c) THE PROPOSED TRANSIT INVESTMENT PROJECT OR SUBSTANTIAL  
6 PORTIONS OF THE PROPOSED PROJECT HAVE BEEN IDENTIFIED AS PART OF  
7 A LOCAL PLANNING PROCESS;

8 (d) THE COSTS IDENTIFIED PURSUANT TO SECTION 24-46-403  
9 (3)(c)(II) ARE ELIGIBLE COSTS;

10 (e) THE STATE SALES TAX INCREMENT REVENUE THAT EXCEEDS  
11 THE PROJECTED COSTS OF ELIGIBLE COSTS WILL BE SPENT ON ADDITIONAL  
12 ELIGIBLE COSTS INCURRED IN CONNECTION WITH THE TRANSIT  
13 INVESTMENT PROJECT; AND

14 (f) THE LOCAL GOVERNMENT THAT SUBMITTED THE APPLICATION  
15 FOR THE PROPOSED TRANSIT INVESTMENT PROJECT HAS PROVIDED  
16 RELIABLE ECONOMIC DATA DEMONSTRATING THAT, IN THE ABSENCE OF  
17 STATE SALES TAX INCREMENT REVENUE, THE PROPOSED PROJECT IS NOT  
18 REASONABLY ANTICIPATED TO BE DEVELOPED WITHIN THE FORESEEABLE  
19 FUTURE.

20 (5) THE OFFICE OF ECONOMIC DEVELOPMENT SHALL PROVIDE THE  
21 COMMISSION WITH EACH APPLICATION RECEIVED AFTER THE DIRECTOR'S  
22 REVIEW PURSUANT TO SECTION 24-46-404.

23 (6) (a) THE TRANSIT INVESTMENT ZONES CASH FUND IS CREATED  
24 IN THE STATE TREASURY. THE FUND CONSISTS OF APPLICATION FEES  
25 COLLECTED BY THE OFFICE OF ECONOMIC DEVELOPMENT AND CREDITED TO  
26 THE FUND PURSUANT TO SUBSECTION (3)(j) OF THIS SECTION, SUBMISSION  
27 FEES COLLECTED BY THE OFFICE OF ECONOMIC DEVELOPMENT AND

1 CREDITED TO THE FUND PURSUANT TO SUBSECTION (2)(b) OF THIS  
2 SECTION, AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY  
3 APPROPRIATE OR TRANSFER TO THE FUND.

4 (b) IN ACCORDANCE WITH SECTION 24-36-114 (1), THE STATE  
5 TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE  
6 DEPOSIT AND INVESTMENT OF MONEY IN THE TRANSIT INVESTMENT ZONES  
7 CASH FUND TO THE GENERAL FUND.

8 (c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
9 OFFICE OF ECONOMIC DEVELOPMENT TO PAY:

10 (I) THE COST INCURRED IN CONTRACTING WITH A **THIRD-PARTY**  
11 **ANALYST** TO DETERMINE THE BASELINE GROWTH RATE FOR THE PROPOSED  
12 TRANSIT INVESTMENT AREA PURSUANT TO SUBSECTION (2)(a) OF THIS  
13 SECTION; AND

14 (II) THE COSTS FOR THIRD-PARTY ANALYSTS AS DESCRIBED IN  
15 SUBSECTION (3)(j) OF THIS SECTION.

16 **24-46-404. Transit investment project approval - director -**  
17 **commission - review.**

18 (1) UPON RECEIPT OF A LOCAL GOVERNMENT'S APPLICATION FOR  
19 THE APPROVAL OF A TRANSIT INVESTMENT PROJECT, THE DIRECTOR OR THE  
20 DIRECTOR'S DESIGNEE SHALL REVIEW THE APPLICATION AND MAKE AN  
21 INITIAL DETERMINATION AS TO WHETHER THE APPLICATION HAS MET THE  
22 CRITERIA FOR A TRANSIT INVESTMENT PROJECT SPECIFIED IN SECTION  
23 24-46-403 (4).

24 (2) AFTER REVIEWING AN APPLICATION FOR APPROVAL OF A  
25 TRANSIT INVESTMENT PROJECT FOR COMPLETENESS, THE DIRECTOR SHALL  
26 FORWARD THE APPLICATION:

27 (a) TO THE THIRD-PARTY ANALYST WHO WILL REVIEW THE

1 APPLICATION PURSUANT TO SECTION 24-46-403 (3)(j);

2 (b) AT LEAST THIRTY DAYS PRIOR TO A PUBLIC HEARING HELD  
3 PURSUANT TO SUBSECTION (3) OF THIS SECTION, TO ANY LOCAL  
4 GOVERNMENT THAT IS ADJACENT TO THE LOCATION OF THE PROPOSED  
5 TRANSIT INVESTMENT AREA TO NOTIFY THE ADJACENT JURISDICTIONS OF  
6 THE PROPOSAL; AND

7 (c) TO THE COMMISSION WITH A RECOMMENDATION THAT THE  
8 COMMISSION APPROVE, APPROVE WITH CONDITIONS, OR DENY THE  
9 APPLICATION.

10 (3) (a) UPON RECEIVING AN APPLICATION FOR THE APPROVAL OF  
11 A TRANSIT INVESTMENT PROJECT, THE COMMISSION SHALL HOLD A PUBLIC  
12 HEARING, SUBJECT TO THE OPEN MEETINGS LAW UNDER PART 4 OF ARTICLE  
13 6 OF THIS TITLE 24, TO REVIEW AND CONSIDER THE APPLICATION. THE  
14 COMMISSION MAY HOLD THE HEARING VIRTUALLY.

15 (b) AFTER HOLDING A HEARING PURSUANT TO SUBSECTION (3)(a)  
16 OF THIS SECTION, WHILE GIVING CONSIDERATION TO THE DIRECTOR'S  
17 RECOMMENDATIONS AND THE REPORT COMPLETED BY A THIRD-PARTY  
18 ANALYST PURSUANT TO SECTION 24-46-403 (3)(j), THE COMMISSION SHALL  
19 TIMELY APPROVE, APPROVE WITH CONDITIONS, OR DENY AN APPLICATION.

20 (c) THE COMMISSION SHALL APPROVE A LOCAL GOVERNMENT'S  
21 APPLICATION FOR THE APPROVAL OF A TRANSIT INVESTMENT PROJECT IF A  
22 MAJORITY OF THE COMMISSIONERS PARTICIPATING IN THE REVIEW OF THE  
23 APPLICATION FINDS THAT THE APPLICATION DEMONSTRATES THAT EACH  
24 OF THE CRITERIA IDENTIFIED IN SECTION 24-46-403 (4) ARE MATERIALLY  
25 MET.

26 (d) (I) IF THE COMMISSION APPROVES AN APPLICATION FOR A  
27 TRANSIT INVESTMENT PROJECT, IT SHALL ADOPT A RESOLUTION THAT

1 SPECIFIES:

2 (A) THE LOCAL GOVERNMENT THAT HAS BEEN APPROVED TO  
3 UNDERTAKE A TRANSIT INVESTMENT PROJECT;

4 (B) THE BOUNDARY OF THE TRANSIT INVESTMENT AREA  
5 ESTABLISHED IN CONNECTION WITH THE TRANSIT INVESTMENT PROJECT;

6 (C) WHETHER THE COMMISSION HAS AUTHORIZED THE CREATION  
7 OF A TRANSIT INVESTMENT AUTHORITY;

8 (D) THE BASELINE GROWTH RATE, TAKING INTO ACCOUNT THE  
9 BASELINE GROWTH RATE DETERMINED BY THE THIRD-PARTY ANALYST  
10 PURSUANT TO SECTION 24-46-403 (2)(a);

11 (E) THE DOLLAR AMOUNT THAT CAN BE ANNUALLY DEDICATED TO  
12 THE TRANSIT INVESTMENT PROJECT, AS DETERMINED PURSUANT TO  
13 SUBSECTION (3)(d)(II) OF THIS SECTION; AND

14 (F) THE TOTAL CUMULATIVE DOLLAR AMOUNT THAT CAN BE  
15 DEDICATED TO THE TRANSIT INVESTMENT PROJECT, AS DETERMINED  
16 PURSUANT TO SUBSECTION (3)(d)(III) OF THIS SECTION.

17 (II) IN DETERMINING THE ANNUAL DOLLAR AMOUNT THAT CAN BE  
18 DEDICATED TO THE TRANSIT INVESTMENT PROJECT PURSUANT TO  
19 SUBSECTION (3)(b)(I)(E) OF THIS SECTION, THE COMMISSION SHALL  
20 CONSIDER THE AMOUNT IDENTIFIED BY THE APPLICANT PURSUANT TO  
21 SECTION 24-46-403 (3)(i)(II) AND SHALL ENSURE THAT THE ANNUAL  
22 DOLLAR AMOUNT DOES NOT PREVENT DEDICATING THE CUMULATIVE  
23 DOLLAR AMOUNT ESTABLISHED BY THE COMMISSION PURSUANT TO THIS  
24 SUBSECTION (3)(d) TO THE TRANSIT INVESTMENT PROJECT. AFTER  
25 ADOPTING THE RESOLUTION REQUIRED PURSUANT TO THIS SUBSECTION  
26 (3)(d), THE COMMISSION MAY ADOPT A SUBSEQUENT RESOLUTION THAT  
27 INCREASES THE ANNUAL DOLLAR AMOUNT THAT CAN BE DEDICATED TO

1 THE TRANSIT INVESTMENT PROJECT, BUT THE COMMISSION SHALL NOT  
2 INCREASE THE ANNUAL DOLLAR AMOUNT BY AN AMOUNT THAT WOULD  
3 RESULT IN DEDICATING A TOTAL DOLLAR AMOUNT TO THE TRANSIT  
4 INVESTMENT PROJECT THAT EXCEEDS THE CUMULATIVE DOLLAR AMOUNT  
5 ESTABLISHED BY THE COMMISSION PURSUANT TO THIS SUBSECTION (3)(d).

6 (III) (A) IN DETERMINING THE TOTAL CUMULATIVE DOLLAR  
7 AMOUNT THAT CAN BE DEDICATED TO THE TRANSIT INVESTMENT PROJECT  
8 PURSUANT TO SUBSECTION (3)(d)(I)(F) OF THIS SECTION, THE COMMISSION  
9 SHALL AWARD AN AMOUNT EQUAL TO THE TOTAL CUMULATIVE DOLLAR  
10 AMOUNT THAT THE THIRD-PARTY ANALYST DETERMINES CAN BE  
11 DEDICATED TO THE TRANSIT INVESTMENT PROJECT AS REPORTED  
12 PURSUANT TO SECTION 24-46-403 (3)(j).

13 (B) NOTWITHSTANDING SUBSECTION (3)(d)(III)(A) OF THIS  
14 SECTION, IF THE ESTIMATED ELIGIBLE COSTS IDENTIFIED PURSUANT TO  
15 SECTION 24-46-403 (3)(c)(II) ARE LESS THAN THE TOTAL CUMULATIVE  
16 DOLLAR AMOUNT THAT THE THIRD-PARTY ANALYST DETERMINES CAN BE  
17 DEDICATED TO THE TRANSIT INVESTMENT PROJECT AS REPORTED  
18 PURSUANT TO SECTION 24-46-403 (3)(j) AND THE APPLICATION DID NOT  
19 AFFIRM THAT STATE SALES TAX INCREMENT REVENUE THAT EXCEEDS THE  
20 ESTIMATED ELIGIBLE COSTS WILL BE SPENT ON ADDITIONAL ELIGIBLE  
21 COSTS INCURRED IN CONNECTION WITH THE TRANSIT INVESTMENT  
22 PROJECT, IN DETERMINING THE TOTAL CUMULATIVE DOLLAR AMOUNT  
23 THAT CAN BE DEDICATED TO THE TRANSIT INVESTMENT PROJECT  
24 PURSUANT TO SUBSECTION (3)(d)(I)(F) OF THIS SECTION, THE COMMISSION  
25 SHALL AWARD A TOTAL CUMULATIVE DOLLAR AMOUNT EQUAL TO THE  
26 ESTIMATED ELIGIBLE COSTS IDENTIFIED PURSUANT TO SECTION 24-46-403  
27 (3)(c)(II).

1 (C) NOTWITHSTANDING SUBSECTION (3)(d)(III)(A) OF THIS  
2 SECTION, IF THE ESTIMATED ELIGIBLE COSTS IDENTIFIED PURSUANT TO  
3 SECTION 24-46-403 (3)(c)(II) ARE LESS THAN THE TOTAL CUMULATIVE  
4 DOLLAR AMOUNT THAT THE THIRD-PARTY ANALYST DETERMINES CAN BE  
5 DEDICATED TO THE TRANSIT INVESTMENT PROJECT AS REPORTED  
6 PURSUANT TO SECTION 24-46-403 (3)(j) AND THE APPLICATION AFFIRMED  
7 THAT STATE SALES TAX INCREMENT REVENUE THAT EXCEEDS THE  
8 ESTIMATED ELIGIBLE COSTS WILL BE SPENT ON ADDITIONAL ELIGIBLE  
9 COSTS INCURRED IN CONNECTION WITH THE TRANSIT INVESTMENT  
10 PROJECT, IN DETERMINING THE TOTAL CUMULATIVE DOLLAR AMOUNT  
11 THAT CAN BE DEDICATED TO THE TRANSIT INVESTMENT PROJECT  
12 PURSUANT TO SUBSECTION (3)(d)(I)(F) OF THIS SECTION, THE COMMISSION  
13 SHALL AWARD A TOTAL CUMULATIVE DOLLAR AMOUNT EQUAL TO THE  
14 ESTIMATED ELIGIBLE COSTS IDENTIFIED PURSUANT TO SECTION 24-46-403  
15 (3)(c)(II) AND ALLOW FOR THE EXPENDITURE OF ADDITIONAL STATE SALES  
16 TAX INCREMENT REVENUE FOR ADDITIONAL ELIGIBLE COSTS INCURRED IN  
17 CONNECTION WITH THE TRANSIT INVESTMENT PROJECT BEYOND THOSE  
18 ESTIMATED IN THE APPLICATION.

19 (e) THE COMMISSION SHALL NOT APPROVE ANY PROPOSED TRANSIT  
20 INVESTMENT PROJECT THAT WOULD LIKELY CREATE A STATE SALES TAX  
21 INCREMENT REVENUE DEDICATION OF MORE THAN SEVENTY-FIVE MILLION  
22 DOLLARS TO ALL TRANSIT INVESTMENT PROJECTS IN ANY GIVEN FISCAL  
23 YEAR.

24 (f) (I) THE COMMISSION SHALL NOT APPROVE MORE THAN THREE  
25 TRANSIT INVESTMENT PROJECTS PURSUANT TO THIS SUBSECTION (3) IN  
26 ANY CALENDAR YEAR AND SHALL NOT APPROVE MORE THAN SIX TRANSIT  
27 INVESTMENT PROJECTS PURSUANT TO THIS SUBSECTION (3) IN TOTAL.

1 (II) IF THE COMMISSION DOES NOT APPROVE A PROPOSED TRANSIT  
2 INVESTMENT PROJECT BECAUSE DOING SO WOULD CAUSE THE COMMISSION  
3 TO APPROVE MORE THAN THREE PROPOSED TRANSIT INVESTMENT  
4 PROJECTS IN THE SAME CALENDAR YEAR, THE COMMISSION MAY CONSIDER  
5 SUCH A PROJECT FOR APPROVAL, APPROVAL WITH CONDITIONS, OR DENIAL  
6 IN THE NEXT CALENDAR YEAR.

7 (4) (a) AS PART OF THE APPROVAL OF A PROPOSED TRANSIT  
8 INVESTMENT PROJECT, THE COMMISSION SHALL AUTHORIZE:

9 (I) THE DEPARTMENT TO COLLECT THE STATE SALES TAX  
10 INCREMENT REVENUE SET TO BE COLLECTED IN CONNECTION WITH THE  
11 PROPOSED TRANSIT INVESTMENT PROJECT ON BEHALF OF THE RELEVANT  
12 FINANCING ENTITY;

13 (II) THE DEPARTMENT TO ADJUST THE BASE YEAR REVENUE BY THE  
14 AMOUNT OF THE BASELINE GROWTH RATE SPECIFIED IN THE RESOLUTION  
15 APPROVING A TRANSIT INVESTMENT PROJECT;

16 (III) A FINANCING ENTITY TO RECEIVE AND USE THE STATE SALES  
17 TAX INCREMENT REVENUE FOR THE DURATION OF THE FINANCING TERM;  
18 AND

19 (IV) THE USE OF THE STATE SALES TAX INCREMENT REVENUE BY  
20 THE FINANCING ENTITY PURSUANT TO THIS PART 4 AND ANY CONDITIONS  
21 OF APPROVAL IMPOSED BY THE COMMISSION AND INCORPORATED IN  
22 WRITING INTO THE COMMISSION'S RESOLUTION APPROVING THE PROPOSED  
23 TRANSIT INVESTMENT PROJECT.

24 (b) IN IMPLEMENTING THE AUTHORIZATION DESCRIBED IN  
25 SUBSECTION (4)(a)(II) OF THIS SECTION, THE DEPARTMENT SHALL REMIT  
26 STATE SALES TAX INCREMENT REVENUE TO THE FINANCING ENTITY ON A  
27 MONTHLY BASIS PROMPTLY AFTER COLLECTING THAT REVENUE.

1           (5) (a) THE TOTAL AMOUNT OF STATE SALES TAX INCREMENT  
2 REVENUE DEDICATED TO A TRANSIT INVESTMENT PROJECT FOR THE ENTIRE  
3 DURATION OF THE PROJECT SHALL NOT EXCEED THE TOTAL CUMULATIVE  
4 DOLLAR AMOUNT SPECIFIED BY THE COMMISSION PURSUANT TO  
5 SUBSECTION (3) OF THIS SECTION. THE DEPARTMENT SHALL TRACK THE  
6 ANNUAL AND CUMULATIVE STATE SALES TAX INCREMENT REVENUE  
7 REMITTED TO THE FINANCING ENTITY IN CONNECTION WITH A TRANSIT  
8 INVESTMENT PROJECT AND SHALL NOTIFY THE COMMISSION WHEN  
9 CUMULATIVE PAYMENTS EQUAL NINETY PERCENT OF THE LIMITS SET BY  
10 THE COMMISSION PURSUANT TO SUBSECTION (3) OF THIS SECTION FOR THE  
11 COMMISSION'S CONCURRENCE REGARDING THE DOLLAR LIMITS.

12           (b) AFTER THE DEPARTMENT HAS REMITTED THE TOTAL  
13 CUMULATIVE DOLLAR AMOUNT OF STATE SALES TAX INCREMENT REVENUE  
14 SPECIFIED BY THE COMMISSION PURSUANT TO SUBSECTION (3) OF THIS  
15 SECTION TO THE FINANCING ENTITY, THE DEPARTMENT SHALL NOT REMIT  
16 ANY ADDITIONAL STATE SALES TAX INCREMENT REVENUE FROM THE STATE  
17 TO THE FINANCING ENTITY, EVEN IF THE APPROVED FINANCING TERM IS  
18 NOT COMPLETED. THE DEPARTMENT SHALL NOTIFY THE COMMISSION IF IT  
19 IS NO LONGER REMITTING STATE SALES TAX INCREMENT REVENUE TO THE  
20 FINANCING ENTITY PURSUANT TO THIS SUBSECTION (5)(b).

21           (6) FOLLOWING THE COMMISSION'S APPROVAL OF AN APPLICATION,  
22 AND THE ESTABLISHMENT OF THE TERMS OF AWARD INCLUDING THE ITEMS  
23 DESCRIBED IN SUBSECTION (3)(d)(I) OF THIS SECTION, THE COMMISSION  
24 SHALL PROMPTLY TRANSMIT WRITTEN NOTICE AND A COPY OF THE  
25 APPROVAL TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT. THE  
26 COMMISSION SHALL INCLUDE ANY INFORMATION DEEMED NECESSARY BY  
27 THE DEPARTMENT TO FULFILL ITS OBLIGATIONS PURSUANT TO THIS PART

1 4 IN THE WRITTEN NOTICE.

2 **24-46-405. Transit investment authority - board - creation -**  
3 **powers and duties.**

4 (1) THE COMMISSION SHALL NOT DENY A REQUEST TO AUTHORIZE  
5 THE CREATION OF A TRANSIT INVESTMENT AUTHORITY IF THE COMMISSION  
6 OTHERWISE APPROVES AN APPLICATION FOR A TRANSIT INVESTMENT  
7 PROJECT THAT INCLUDES A REQUEST FOR THE FORMATION OF A TRANSIT  
8 INVESTMENT AUTHORITY.

9 (2) A TRANSIT INVESTMENT AUTHORITY IS GOVERNED BY A BOARD  
10 CONSISTING OF THE FOLLOWING MEMBERS:

11 (a) IF THE APPLICANT IS A SINGLE LOCAL GOVERNMENT:

12 (I) TWO MEMBERS APPOINTED BY THE COMMISSION WHO ARE  
13 OWNERS OF COMMERCIAL PROPERTY WITHIN THE TRANSIT INVESTMENT  
14 AREA;

15 (II) TWO MEMBERS APPOINTED BY THE LOCAL GOVERNMENT WHO  
16 ARE ELECTED OFFICIALS OF THE LOCAL GOVERNMENT; AND

17 (III) ONE MEMBER APPOINTED BY THE TRANSIT AGENCY OR ENTITY  
18 THAT OPERATES THE TRANSPORTATION FACILITY THAT IS THE SUBJECT OF  
19 THE PROPOSED TRANSIT INVESTMENT PROJECT.

20 (b) IF THE APPLICANT IS TWO LOCAL GOVERNMENTS:

21 (I) TWO MEMBERS APPOINTED BY THE COMMISSION WHO ARE  
22 OWNERS OF COMMERCIAL PROPERTY WITHIN THE TRANSIT INVESTMENT  
23 AREA;

24 (II) ONE MEMBER APPOINTED BY THE TRANSIT AGENCY OR ENTITY  
25 THAT OPERATES THE TRANSPORTATION FACILITY THAT IS THE SUBJECT OF  
26 THE PROPOSED TRANSIT INVESTMENT PROJECT; AND

27 (III) ONE MEMBER APPOINTED BY EACH OF THE TWO LOCAL

1 GOVERNMENTS WHO IS AN ELECTED OFFICIAL OF ONE OF THE LOCAL  
2 GOVERNMENTS.

3 (c) IF THE APPLICANT IS MORE THAN TWO LOCAL GOVERNMENTS:

4 (I) ONE MEMBER APPOINTED BY EACH LOCAL GOVERNMENT IN THE  
5 TRANSIT INVESTMENT AUTHORITY WHO IS AN ELECTED OFFICIAL OF ONE OF  
6 THE LOCAL GOVERNMENTS; AND

7 (II) THREE OR MORE MEMBERS, AS DETERMINED BY THE  
8 COMMISSION SO THAT THE TOTAL NUMBER OF MEMBERS ON A GOVERNING  
9 BOARD IS AN ODD NUMBER, REPRESENTING COMMERCIAL PROPERTY  
10 OWNERS WITHIN THE TRANSIT INVESTMENT AREA, APPOINTED BY THE  
11 COMMISSION; AND

12 (d) ONE MEMBER APPOINTED BY THE TRANSIT AGENCY OR ENTITY  
13 THAT OPERATES THE TRANSPORTATION FACILITY THAT IS THE SUBJECT OF  
14 THE PROPOSED TRANSIT INVESTMENT PROJECT.

15 (3) UNLESS LIMITED BY THE COMMISSION'S CONDITIONS OF  
16 APPROVAL, EACH TRANSIT INVESTMENT AUTHORITY HAS ALL THE POWERS  
17 NECESSARY OR CONVENIENT TO CARRY OUT THIS PART 4, INCLUDING THE  
18 FOLLOWING POWERS:

19 (a) PERPETUAL EXISTENCE AND SUCCESSION;

20 (b) TO ADOPT, HAVE, AND USE A CORPORATE SEAL;

21 (c) TO SUE AND BE SUED AND TO BE A PARTY TO SUITS, ACTIONS,  
22 AND PROCEEDINGS;

23 (d) TO UNDERTAKE TRANSIT INVESTMENT PROJECTS;

24 (e) TO ENTER INTO CONTRACTS AND AGREEMENTS AFFECTING THE  
25 AFFAIRS OF THE TRANSIT INVESTMENT AUTHORITY AS NECESSARY TO  
26 COMPLETE A TRANSIT INVESTMENT PROJECT;

27 (f) TO RECEIVE, INVEST, PLEDGE, SPEND, AND OTHERWISE USE AND

1 EXPEND STATE SALES TAX INCREMENT REVENUE IN ACCORDANCE WITH AN  
2 APPROVED TRANSIT INVESTMENT PROJECT;

3 (g) TO ASSIGN AND PLEDGE TO ANY COUNTY REVITALIZATION  
4 AUTHORITY, METROPOLITAN DISTRICT, AUTHORITY FORMED BY  
5 INTERGOVERNMENTAL AGREEMENT AMONG TWO OR MORE METROPOLITAN  
6 DISTRICTS, REGIONAL TRANSPORTATION AUTHORITY, OR URBAN RENEWAL  
7 AUTHORITY HAVING ALL OR ANY PORTION OF THE TRANSIT INVESTMENT  
8 AREA WITHIN ITS BOUNDARIES OR SERVICE AREA THE TRANSIT  
9 INVESTMENT AUTHORITY'S RIGHT TO RECEIVE AND USE STATE SALES TAX  
10 INCREMENT REVENUE TO SUPPORT BONDS OR OTHER FINANCING  
11 INSTRUMENTS ISSUED OR ENTERED INTO BY THE COUNTY REVITALIZATION  
12 AUTHORITY, METROPOLITAN DISTRICT, AUTHORITY FORMED BY  
13 INTERGOVERNMENTAL AGREEMENT AMONG TWO OR MORE METROPOLITAN  
14 DISTRICTS, REGIONAL TRANSPORTATION AUTHORITY, OR URBAN RENEWAL  
15 AUTHORITY FOR ELIGIBLE COSTS OR TO ACQUIRE ELIGIBLE IMPROVEMENTS,  
16 INCLUDING LOANS OR FUNDING AND REIMBURSEMENT AGREEMENTS WITH  
17 DEVELOPERS INVOLVED IN THE TRANSIT INVESTMENT PROJECT OR OTHER  
18 THIRD PARTIES;

19 (h) TO BORROW MONEY AND INCUR INDEBTEDNESS AND EVIDENCE  
20 THE SAME BY CERTIFICATES AND NOTE AND DEBENTURES;

21 (i) TO ISSUE BONDS IN ACCORDANCE WITH SECTION 24-46-409;

22 (j) TO INVEST ANY OF THE AUTHORITY'S FUNDS THAT ARE NOT  
23 REQUIRED FOR IMMEDIATE DISBURSEMENT;

24 (k) TO DEPOSIT ANY FUNDS NOT REQUIRED FOR IMMEDIATE  
25 DISBURSEMENT IN ANY DEPOSITORY AUTHORIZED IN SECTION 24-75-603  
26 AND, FOR THE PURPOSE OF MAKING THE DEPOSITS, TO APPOINT BY WRITTEN  
27 RESOLUTION ONE OR MORE PERSONS TO ACT AS CUSTODIANS OF THE

1 AUTHORITY'S FUND, WHICH PERSON SHALL GIVE SURETY BONDS IN THE  
2 AMOUNTS AND FORM AND FOR THE PURPOSES REQUIRED BY THE  
3 AUTHORITY;

4 (l) TO MAKE APPROPRIATIONS AND EXPENDITURES OF ITS FUNDS  
5 AND TO SET UP, ESTABLISH, AND MAINTAIN GENERAL, SEPARATE, OR  
6 SPECIAL FUNDS AND BANK ACCOUNTS OR OTHER ACCOUNTS AS IT DEEMS  
7 NECESSARY OR CONVENIENT TO CARRY OUT THIS PART 4;

8 (m) TO ACCEPT ON ITS OWN BEHALF REAL OR PERSONAL PROPERTY  
9 FOR ITS OWN USE;

10 (n) TO ACCEPT GIFTS AND CONVEYANCES MADE TO THE  
11 AUTHORITY UPON THE TERMS OR CONDITIONS APPROVED BY THE  
12 AUTHORITY'S BOARD;

13 (o) TO ADOPT, AMEND, AND ENFORCE BYLAWS AND RULES THAT  
14 ARE NOT IN CONFLICT WITH THE CONSTITUTION AND LAWS OF THE STATE  
15 FOR CARRYING OUT THE BUSINESS, OBJECTS, AND AFFAIRS OF THE  
16 AUTHORITY;

17 (p) TO HAVE AND EXERCISE ALL RIGHTS AND POWERS NECESSARY  
18 OR INCIDENTAL TO OR IMPLIED FROM THE SPECIFIC POWERS GRANTED TO  
19 THE TRANSIT INVESTMENT AUTHORITY BY THIS PART 4. THE SPECIFIC  
20 POWERS SHALL NOT BE CONSIDERED A LIMITATION UPON ANY POWER  
21 NECESSARY OR APPROPRIATE TO CARRY OUT THIS PART 4.

22 (q) TO AUTHORIZE THE USE OF ELECTRONIC RECORDS OR  
23 SIGNATURES AND TO ADOPT RULES, STANDARDS, POLICIES, AND  
24 PROCEDURES FOR USE OF ELECTRONIC RECORDS OR SIGNATURES PURSUANT  
25 TO ARTICLE 71.3 OF THIS TITLE 24.

26 (4) A TRANSIT INVESTMENT AUTHORITY DOES NOT HAVE THE  
27 POWER OF EMINENT DOMAIN AND DOES NOT HAVE THE POWER TO IMPOSE

1 OR LEVY ANY SALES TAX, USE TAX, PROPERTY TAX, OR ANY OTHER TAX.

2 (5) THE BOARD OF DIRECTORS OF A TRANSIT INVESTMENT  
3 AUTHORITY IS SUBJECT TO THE "COLORADO OPEN RECORDS ACT", PART  
4 2 OF ARTICLE 72 OF THIS TITLE 24, AND THE "COLORADO SUNSHINE ACT  
5 OF 1972", ARTICLE 6 OF THIS TITLE 24.

6 **24-46-406. State sales tax increment revenue.**

7 (1) IN ORDER TO IMPLEMENT THE COLLECTION OF STATE SALES TAX  
8 INCREMENT REVENUE, THE RESOLUTION ADOPTED BY THE COMMISSION  
9 APPROVING A TRANSIT INVESTMENT PROJECT SHALL STATE THAT THE  
10 DEPARTMENT SHALL, NO LATER THAN NINETY DAYS AFTER THE  
11 COMMISSION'S ADOPTION OF THE RESOLUTION AND AFTER RETAINING AN  
12 AMOUNT OF THE STATE SALES TAX INCREMENT REVENUE ESTABLISHED BY  
13 THE DEPARTMENT AS NECESSARY TO OFFSET THE DEPARTMENT'S ACTUAL  
14 DIRECT COSTS AND EXPENSES INCURRED IN PERFORMING THE  
15 DEPARTMENT'S COLLECTION AND DISBURSEMENT FUNCTIONS ESTABLISHED  
16 IN THIS PART 4 IN CONNECTION WITH THE TRANSIT INVESTMENT PROJECT,  
17 DIVIDE AND DISTRIBUTE STATE SALES TAXES LEVIED AND COLLECTED ON  
18 IN-PERSON SALES MADE WITHIN THE TRANSIT INVESTMENT AREA  
19 COMMENCING ON THE FIRST DAY OF THE FIRST MONTH AFTER THE  
20 DEPARTMENT HAS COLLECTED THE BASE YEAR REVENUE FOR THE YEAR  
21 AFTER THE EFFECTIVE DATE OF THE COMMISSION'S APPROVAL OF THE  
22 PROJECT AS FOLLOWS:

23 (a) FIRST, THE PORTION OF STATE SALES TAXES COLLECTED ON  
24 IN-PERSON SALES MADE WITHIN THE BOUNDARIES OF THE TRANSIT  
25 INVESTMENT AREA EQUAL TO THE BASE YEAR REVENUE AND THE BASELINE  
26 GROWTH RATE IS PAID INTO THE STATE TREASURY AS STATE SALES TAXES  
27 ARE NORMALLY COLLECTED AND PAID;

1 (b) SECOND, THE STATE SALES TAXES COLLECTED ON IN-PERSON  
2 SALES MADE WITHIN THE BOUNDARIES OF THE TRANSIT INVESTMENT AREA  
3 EQUAL TO THE STATE SALES TAX INCREMENT REVENUE ARE PAID INTO  
4 A SPECIAL FUND ESTABLISHED BY THE FINANCING ENTITY PURSUANT TO  
5 SUBSECTION (2) OF THIS SECTION; AND

6 (c) THIRD, ANY EXCESS STATE SALES TAX COLLECTIONS NOT  
7 ALLOCATED PURSUANT TO SUBSECTION (1)(b) OF THIS SECTION ARE PAID  
8 INTO THE STATE TREASURY AS SALES TAXES ARE NORMALLY COLLECTED  
9 AND PAID AND, IF THERE IS INSUFFICIENT STATE SALES TAXES COLLECTED  
10 ON IN-PERSON SALES MADE WITHIN THE BOUNDARIES OF THE TRANSIT  
11 INVESTMENT AREA TO MAKE THE ALLOCATION DESCRIBED IN  
12 SUBSECTION (1)(b) OF THIS SECTION, TO THE EXTENT NECESSARY TO  
13 ACCOUNT FOR THE AMOUNT SET FORTH IN SECTION 24-46-402 (17)(a)(II),  
14 THE DEPARTMENT MAY ALLOCATE STATE SALES TAX REVENUE IN EXCESS  
15 OF THE STATE SALES TAX COLLECTED ON IN-PERSON SALES MADE WITHIN  
16 THE TRANSIT INVESTMENT AREA, WHICH ALLOCATION IS NEVERTHELESS  
17 STATE SALES TAX INCREMENT REVENUE.

18 (2) (a) A FINANCING ENTITY MUST SEGREGATE REVENUE  
19 ALLOCATED TO THE FINANCING ENTITY BY THE DEPARTMENT PURSUANT  
20 TO SUBSECTION (1)(b) OF THIS SECTION IN A SPECIAL FUND. THE  
21 FINANCING ENTITY SHALL SEGREGATE THE SPECIAL FUND FROM THE  
22 FINANCING ENTITY'S OTHER FUNDS. THE FINANCING ENTITY MAY USE THE  
23 MONEY IN THE SPECIAL FUND TO PAY THE PRINCIPAL OF, THE INTEREST ON,  
24 AND ANY PREMIUMS DUE IN CONNECTION WITH THE BONDS OF, LOANS OR  
25 ADVANCES TO, OR INDEBTEDNESS INCURRED BY, WHETHER FUNDED,  
26 REFUNDED, ASSUMED, OR OTHERWISE, THE FINANCING ENTITY FOR  
27 FINANCING OR REFINANCING, IN WHOLE OR IN PART, A TRANSIT

1 INVESTMENT PROJECT.

2 (b) A FINANCING ENTITY MAY USE REVENUE ALLOCATED TO THE  
3 FINANCING ENTITY BY THE DEPARTMENT PURSUANT TO SUBSECTION (1)(b)  
4 OF THIS SECTION SOLELY TO FINANCE ELIGIBLE COSTS INCURRED FOR THE  
5 PURPOSE OF CONSTRUCTING THE ELIGIBLE IMPROVEMENTS AND  
6 IMPLEMENTING THE TRANSIT INVESTMENT PROJECT.

7 (3) STATE SALES TAX INCREMENT REVENUE, TOGETHER WITH ANY  
8 INVESTMENT INCOME EARNED ON THAT REVENUE, IS FOR ALL PURPOSES  
9 ASSIGNED TO, THE PROPERTY OF, AND THE REVENUE OF THE APPLICABLE  
10 FINANCING ENTITY AND IS NOT FOR ANY PURPOSE REVENUE OR PROPERTY  
11 OF THE STATE.

12 (4) A SINGLE DEBT ISSUANCE OF A FINANCING ENTITY MUST NOT  
13 HAVE A MATURITY DATE IN EXCESS OF THIRTY YEARS FROM THE DATE OF  
14 ISSUANCE, UNLESS THE FINANCING ENTITY BOTH:

15 (a) ANTICIPATES ISSUING A SERIES OF BONDS OR OTHER FORMS OF  
16 DEBT; AND

17 (b) HAS THE ABILITY TO CONSOLIDATE OR REFINANCE PREVIOUSLY  
18 ISSUED DEBT OR BONDS WITH A MATURITY DATE FOR SUCH CONSOLIDATED  
19 OR REFINANCED DEBT OR BONDS NOT TO EXCEED THIRTY YEARS FROM THE  
20 DATE OF ISSUANCE OF THE CONSOLIDATING OR REFINANCING BONDS.

21 (5) NO LOCAL GOVERNMENT SHALL BE LIABLE FOR ANY DEBT  
22 ISSUANCE OF THE FINANCING ENTITY, AND A DEBT ISSUANCE OF THE  
23 FINANCING ENTITY SHALL NOT CONSTITUTE A DEBT OF A LOCAL  
24 GOVERNMENT.

25 (6) ON OR BEFORE JULY 1, 2029, AND ON OR BEFORE JULY 1 EVERY  
26 THREE YEARS THEREAFTER, THE DEPARTMENT MUST SUBMIT A REPORT TO  
27 THE OFFICE OF STATE PLANNING AND BUDGETING AND THE COMMISSION ON

1 TECHNOLOGICAL OR OTHER METHODS TO INCORPORATE SALES DELIVERED  
2 FROM WITHOUT THE TRANSIT INVESTMENT AREA INTO THE CALCULATION  
3 OF THE INCREMENT AND TO ALLOW FOR THE DESIGNATION OF ADDITIONAL  
4 TRANSIT AND HOUSING INVESTMENT ZONES AND TRANSIT INVESTMENT  
5 AREAS, INCLUDING COST ESTIMATES, ADMINISTRATIVE BURDEN, AND  
6 BURDEN ON TAXPAYERS.

7 **24-46-407. Annual report - audit.**

8 (1) (a) WITHIN NINETY DAYS OF THE END OF THE FIRST FULL STATE  
9 FISCAL YEAR AFTER THE COMMISSION APPROVES A TRANSIT INVESTMENT  
10 PROJECT AND ON THE SAME DATE EACH YEAR THEREAFTER, THE  
11 FINANCING ENTITY SHALL PREPARE AND SUBMIT TO THE COMMISSION AN  
12 ANNUAL REPORT DETAILING:

13 (I) THE TOTAL AMOUNT OF STATE SALES TAX INCREMENT REVENUE  
14 THAT THE FINANCING ENTITY HAS RECEIVED OVER THE PAST YEAR;

15 (II) HOW THE FINANCING ENTITY HAS SPENT THE STATE SALES TAX  
16 INCREMENT REVENUE THAT IT HAS RECEIVED;

17 (III) PROJECTED STATE SALES TAX INCREMENT REVENUE FOR THE  
18 REMAINDER OF THE PERIOD FOR WHICH THE FINANCING ENTITY MAY  
19 RECEIVE STATE SALES TAX INCREMENT REVENUE; AND

20 (IV) A SUMMARY OF THE STATUS OF CONSTRUCTION OF THE  
21 ELIGIBLE IMPROVEMENTS RELATED TO THE TRANSIT INVESTMENT PROJECT.

22 (b) IN ADDITION TO THE INFORMATION DESCRIBED IN SUBSECTION  
23 (1)(a) OF THIS SECTION, A FINANCING ENTITY SUBMITTING A REPORT  
24 PURSUANT TO THIS SUBSECTION (1) SHALL ALSO INCLUDE IN THAT REPORT  
25 WHETHER THE FINANCIAL ENTITY IS USING ANY STATE SALES TAX  
26 INCREMENT REVENUE FOR PURPOSES OTHER THAN FOR ELIGIBLE COSTS  
27 AND ANY OTHER FINANCIAL INFORMATION THAT IS REASONABLY REQUIRED

1 BY THE COMMISSION.

2 (c) IF ANY INFORMATION PROVIDED IN THE ANNUAL REPORT  
3 DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION WILL BE A TRADE  
4 SECRET, PROPRIETARY, OR OTHERWISE ENTITLED TO PROTECTION  
5 PURSUANT TO PART 2 OF ARTICLE 72 OF THIS TITLE 24, THAT INFORMATION  
6 IS SO DESIGNATED BY THE FINANCING ENTITY AND KEPT CONFIDENTIAL BY  
7 THE STATE.

8 (d) THE GOVERNING BODY OF THE FINANCING ENTITY SHALL  
9 ATTEST TO THE ACCURACY OF THE INFORMATION PROVIDED IN THE  
10 ANNUAL REPORT DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION.

11 (2) (a) IN CONNECTION WITH THE ANNUAL REPORT REQUIRED  
12 PURSUANT TO SUBSECTION (1) OF THIS SECTION, A FINANCING ENTITY  
13 SHALL SUBMIT AN INDEPENDENT AUDIT OF ITS FINANCIAL STATUS THAT IS  
14 PREPARED BY A CERTIFIED PUBLIC ACCOUNTANT ATTESTING TO THE  
15 ACCURACY OF THE ANNUAL REPORT.

16 (b) IF THE AUDIT PREPARED PURSUANT TO SUBSECTION (2)(a) OF  
17 THIS SECTION FINDS THAT A FINANCING ENTITY HAS USED STATE SALES  
18 TAX INCREMENT REVENUE FOR UNAUTHORIZED PURPOSES, THE FINANCING  
19 ENTITY IS LIABLE FOR THE REPAYMENT TO THE GENERAL FUND OF THE  
20 STATE SALES TAX INCREMENT REVENUE THAT WAS INTENDED FOR THE  
21 TRANSIT INVESTMENT PROJECT. THE FINANCING ENTITY MAY MAKE THE  
22 REPAYMENT:

23 (I) FROM THE FINANCING ENTITY'S FUNDS DERIVED FROM SOURCES  
24 OTHER THAN STATE SALES TAX INCREMENT REVENUE;

25 (II) BY OFFSETTING AGAINST FUTURE STATE SALES TAX  
26 INCREMENT REVENUE THAT THE DEPARTMENT WOULD OTHERWISE  
27 DISBURSE TO THE FINANCING ENTITY; OR

1 (III) FROM OTHER FUNDS THAT ARE LEGALLY AVAILABLE TO THE  
2 FINANCING ENTITY FOR SUCH PURPOSE.

3 (4) IF A FINANCING ENTITY IS A COUNTY REVITALIZATION  
4 AUTHORITY, A METROPOLITAN DISTRICT, AN AUTHORITY FORMED BY  
5 INTERGOVERNMENTAL AGREEMENT AMONG TWO OR MORE METROPOLITAN  
6 DISTRICTS, A REGIONAL TRANSPORTATION AUTHORITY, OR AN URBAN  
7 RENEWAL AUTHORITY, IT MAY COMPLY WITH THIS SECTION BY SUBMITTING  
8 TO THE COMMISSION A COPY OF THE REPORT THAT THE COUNTY  
9 REVITALIZATION AUTHORITY, METROPOLITAN DISTRICT, AUTHORITY  
10 FORMED BY INTERGOVERNMENTAL AGREEMENT AMONG TWO OR MORE  
11 METROPOLITAN DISTRICTS, REGIONAL TRANSPORTATION AUTHORITY, OR  
12 URBAN RENEWAL AUTHORITY IS OTHERWISE REQUIRED TO SUBMIT TO A  
13 LOCAL GOVERNMENT PURSUANT TO LAW. THE FINANCING ENTITY SHALL  
14 DELIVER A COPY OF THE REPORT THAT THE COUNTY REVITALIZATION  
15 AUTHORITY, METROPOLITAN DISTRICT, AUTHORITY FORMED BY  
16 INTERGOVERNMENTAL AGREEMENT AMONG TWO OR MORE METROPOLITAN  
17 DISTRICTS, REGIONAL TRANSPORTATION AUTHORITY, OR URBAN RENEWAL  
18 AUTHORITY IS OTHERWISE REQUIRED TO SUBMIT TO A LOCAL GOVERNMENT  
19 PURSUANT TO LAW AT THE SAME TIME AS AN ANNUAL REPORT OR AUDIT  
20 OTHERWISE REQUIRED BY LAW.

21 (5) THE OFFICE OF ECONOMIC DEVELOPMENT AND THE  
22 DEPARTMENT SHALL PREPARE A REPORT FOR THE OFFICE OF ECONOMIC  
23 DEVELOPMENT TO SUBMIT NO LATER THAN NOVEMBER 1 OF THE  
24 APPLICABLE FISCAL YEAR TO THE FINANCE COMMITTEES OF THE HOUSE OF  
25 REPRESENTATIVES AND SENATE; THE BUSINESS AND ECONOMIC  
26 DEVELOPMENT COMMITTEE OF THE HOUSE OF REPRESENTATIVES; AND THE  
27 BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE OF THE SENATE; OR ANY

1 SUCCESSOR COMMITTEES. THE REPORT SHALL INCLUDE INFORMATION ON  
2 ALL STATE SALES TAX INCREMENT REVENUE COLLECTED FOR TRANSIT  
3 INVESTMENT DURING THE PRIOR STATE FISCAL YEAR AND INFORMATION  
4 FROM THE REPORTS REQUIRED PURSUANT TO SUBSECTION (6) OF THIS  
5 SECTION.

6 (6) (a) EACH YEAR, NO LATER THAN SEPTEMBER 1, THE  
7 DEPARTMENT SHALL REPORT TO THE COMMISSION THE AGGREGATE  
8 AMOUNT OF STATE SALES TAX INCREMENT REVENUE ALLOCATED TO  
9 FINANCING ENTITIES FOR APPROVED TRANSIT INVESTMENT PROJECTS.

10 (b) EVERY TWO YEARS, NO LATER THAN NOVEMBER 1, THE OFFICE  
11 OF ECONOMIC DEVELOPMENT AND THE DEPARTMENT SHALL REPORT TO  
12 THE COMMISSION DETAILED INFORMATION ON EACH TRANSIT INVESTMENT  
13 PROJECT APPROVED TO RECEIVE STATE SALES TAX INCREMENT REVENUE,  
14 INCLUDING:

15 (I) THE AMOUNT OF STATE SALES TAX INCREMENT REVENUE  
16 ALLOCATED FOR THE PROJECT;

17 (II) THE BOUNDARIES OF THE APPROVED TRANSIT INVESTMENT  
18 AREA AND NARRATIVE FOR THE TRANSIT INVESTMENT PROJECT;

19 (III) THE PROPOSED TERM OF FINANCING AND THE NEW NET  
20 REVENUE THAT IS APPROVED FOR THE TRANSIT INVESTMENT PROJECT;

21 (IV) THE ACTUAL STATE SALES TAX INCREMENT REVENUE  
22 COLLECTED WITHIN THE TRANSIT INVESTMENT AREA COMPARED TO THE  
23 PROJECTED REVENUES CONTAINED IN THE APPROVED APPLICATION THAT  
24 PROPOSED THE TRANSIT INVESTMENT AREA; AND

25 (V) AN ASSESSMENT OF THE OVERALL EFFECTIVENESS OF THE  
26 TRANSIT INVESTMENT PROJECT IN ACHIEVING INCREASED TRANSIT  
27 RIDERSHIP.

1                   **24-46-408. Commencement of development.**

2                   (1) SUBSTANTIAL WORK ON A TRANSIT INVESTMENT PROJECT,  
3 INCLUDING THE FINANCING ENTITY'S ISSUANCE OF BONDS OR OTHER DEBT  
4 INSTRUMENTS, THE REPAYMENT OF WHICH IS SECURED BY A PLEDGE OF  
5 THE STATE SALES TAX INCREMENT REVENUE OR THE COMMENCEMENT OF  
6 ACTUAL DEVELOPMENT OR PREDEVELOPMENT, SUCH AS ERECTING  
7 PERMANENT STRUCTURES, EXCAVATING THE GROUND TO LAY  
8 FOUNDATIONS, MASS GRADING OF THE SITE, OR WORK OF A SIMILAR  
9 DESCRIPTION THAT MANIFESTS AN INTENTION AND PURPOSE TO COMPLETE  
10 THE PROJECT MUST COMMENCE WITHIN FIVE YEARS FROM THE DATE OF  
11 THE COMMISSION'S APPROVAL OF THE PROJECT.

12                   (2) IF SUBSTANTIAL WORK ON THE TRANSIT INVESTMENT PROJECT  
13 TOWARD THE GOALS SPECIFIED IN THE APPLICATION PURSUANT TO SECTION  
14 24-46-403 DOES NOT COMMENCE WITHIN FIVE YEARS OF THE  
15 COMMISSION'S APPROVAL, THE COMMISSION MAY REVOKE OR MODIFY ITS  
16 APPROVAL OF THE FINANCING ENTITY OR THE PROJECT. REVOCATION OF  
17 APPROVAL MAY BE APPEALED TO THE COMMISSION, WHICH MAY  
18 REINSTATE ITS APPROVAL UPON A SHOWING OF GOOD CAUSE FOR THE  
19 DELAY. IF SUBSTANTIAL WORK ON THE PROJECT DOES NOT COMMENCE  
20 WITHIN ONE YEAR OF REINSTATEMENT OF APPROVAL FROM THE  
21 COMMISSION, THE COMMISSION SHALL REVOKE APPROVAL OF THE PROJECT.

22                   (3) UPON THE REVOCATION OF THE APPROVAL OF A FINANCING  
23 ENTITY OR THE TRANSIT INVESTMENT PROJECT:

24                   (a) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3)(b) OF  
25 THIS SECTION, THE COMMISSION MAY REQUIRE THE FINANCING ENTITY TO  
26 REFUND TO THE STATE TREASURER ANY STATE SALES TAX INCREMENT  
27 REVENUE THAT THE PROJECT HAS GENERATED OR THAT THE FINANCING

1 ENTITY HAS COLLECTED FROM THE TIME OF THE ORIGINAL APPROVAL FOR  
2 THE PROJECT OR FINANCING ENTITY;

3 (b) ANY STATE SALES TAX INCREMENT REVENUE THAT THE  
4 TRANSIT INVESTMENT PROJECT HAS GENERATED OR THAT THE FINANCING  
5 ENTITY HAS COLLECTED FROM THE TIME OF THE ORIGINAL APPROVAL FOR  
6 THE PROJECT OR FINANCING ENTITY MAY REMAIN DEDICATED TO THE  
7 PROJECT ONLY TO THE EXTENT THAT IT HAS BEEN PREVIOUSLY EXPENDED  
8 OR PLEDGED BY THE FINANCING ENTITY FOR THE FINANCING OF ELIGIBLE  
9 COSTS; AND

10 (c) THE STATE SHALL NOT REMIT FURTHER FUNDS TO THE REVOKED  
11 FINANCIAL ENTITY OR TRANSIT INVESTMENT PROJECT.

12 (4) IN EVALUATING WHETHER SUBSTANTIAL WORK HAS BEEN  
13 COMMENCED FOR PURPOSES OF ADMINISTERING THIS SECTION, THE  
14 COMMISSION SHALL RELY ON THE INFORMATION AND DATA SUPPLIED IN  
15 THE ANNUAL REPORTS SUBMITTED BY THE FINANCING ENTITY OR  
16 CERTIFIED PUBLIC ACCOUNTANT PURSUANT TO SECTION 24-46-407 AND  
17 ANY SUPPLEMENTAL DATA DEEMED NECESSARY BY THE COMMISSION.

18 (5) THE COMMISSION ONLY HAS THE AUTHORITY TO REVOKE ITS  
19 APPROVAL OF A FINANCING ENTITY OR A TRANSIT INVESTMENT PROJECT  
20 PURSUANT TO THIS SECTION.

21 **24-46-409. Issuance of bonds by a financing entity.**

22 (1) A FINANCING ENTITY MAY ISSUE BONDS FROM TIME TO TIME IN  
23 ITS DISCRETION TO FINANCE ANY ELIGIBLE IMPROVEMENTS WITH RESPECT  
24 TO A TRANSIT INVESTMENT PROJECT AND MAY ALSO ISSUE REFUNDING OR  
25 OTHER BONDS OF THE FINANCING ENTITY FROM TIME TO TIME IN ITS  
26 DISCRETION FOR THE PAYMENT, RETIREMENT, RENEWAL, REFINANCING, OR  
27 EXTENSION OF ANY BONDS PREVIOUSLY ISSUED BY THE FINANCING ENTITY

1 UNDER THIS SECTION.

2 (2) (a) BONDS ISSUED UNDER THIS SECTION MAY BE GENERAL  
3 OBLIGATION OR REVENUE BONDS OF THE FINANCING ENTITY, THE  
4 PAYMENT OF WHICH, AS TO PRINCIPAL AND INTEREST AND PREMIUMS, IF  
5 ANY, THE FULL FAITH, CREDIT, AND ASSETS, ACQUIRED AND TO BE  
6 ACQUIRED, OF THE FINANCING ENTITY MAY BE IRREVOCABLY PLEDGED.

7 (b) BONDS ISSUED UNDER THIS SECTION MAY BE SPECIAL  
8 OBLIGATIONS OF THE FINANCING ENTITY THAT, AS TO PRINCIPAL AND  
9 INTEREST AND PREMIUMS, IF ANY, ARE PAYABLE SOLELY FROM AND  
10 SECURED ONLY BY A PLEDGE OF ANY INCOME, PROCEEDS, REVENUES, OR  
11 FUNDS OF THE FINANCING ENTITY, INCLUDING, WITHOUT LIMITATION,  
12 STATE SALES TAX INCREMENT REVENUE.

13 (3) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,  
14 ANY BONDS ISSUED UNDER THIS SECTION MAY BE ADDITIONALLY SECURED  
15 AS TO THE PAYMENT OF THE PRINCIPAL AND INTEREST AND PREMIUMS, IF  
16 ANY, BY A MORTGAGE OF ANY TRANSIT INVESTMENT PROJECT, OR ANY  
17 PART THEREOF, TITLE TO WHICH IS THEN OR THEREAFTER IN THE  
18 FINANCING ENTITY OR OF ANY OTHER REAL OR PERSONAL PROPERTY OR  
19 INTERESTS THEREIN THEN OWNED OR THEREAFTER ACQUIRED BY THE  
20 FINANCING ENTITY.

21 (4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,  
22 BONDS ISSUED UNDER THIS SECTION MAY BE ADDITIONALLY SECURED  
23 AS TO THE PAYMENT OF THE PRINCIPAL AND INTEREST AND PREMIUMS, IF  
24 ANY, AS PROVIDED IN SUBSECTION (2) OF THIS SECTION, WITH OR WITHOUT  
25 BEING ALSO ADDITIONALLY SECURED AS TO PAYMENT OF THE PRINCIPAL  
26 AND INTEREST AND PREMIUMS, IF ANY, BY A MORTGAGE AS PROVIDED IN  
27 SUBSECTION (3) OF THIS SECTION OR A TRUST AGREEMENT AS PROVIDED IN

1 SUBSECTION (5) OF THIS SECTION.

2 (5) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,  
3 ANY BONDS ISSUED UNDER THIS SECTION MAY BE ADDITIONALLY SECURED  
4 AS TO THE PAYMENT OF THE PRINCIPAL AND INTEREST AND PREMIUMS, IF  
5 ANY, BY A TRUST AGREEMENT OR INDENTURE BY AND BETWEEN THE  
6 FINANCING ENTITY AND A CORPORATE TRUSTEE, WHICH MAY BE ANY  
7 TRUST COMPANY OR BANK HAVING THE POWERS OF A TRUST COMPANY  
8 WITHIN OR WITHOUT THE STATE.

9 (6) BONDS ISSUED UNDER THIS SECTION DO NOT CONSTITUTE AN  
10 INDEBTEDNESS OF THE STATE OR OF ANY COUNTY, MUNICIPALITY, OR  
11 PUBLIC BODY OF THE STATE OTHER THAN THE FINANCING ENTITY ISSUING  
12 THE BONDS AND ARE NOT SUBJECT TO [REDACTED] THE CHARTER OF ANY  
13 MUNICIPALITY RELATING TO THE AUTHORIZATION, ISSUANCE, OR SALE OF  
14 BONDS.

15 (7) BONDS ISSUED UNDER THIS SECTION SHALL BE AUTHORIZED BY  
16 A RESOLUTION, INDENTURE, OR OTHER DOCUMENT PURSUANT TO WHICH  
17 SUCH OBLIGATIONS ARE ISSUED OF THE FINANCING ENTITY AND MAY BE  
18 ISSUED IN ONE OR MORE SERIES AND SHALL BEAR SUCH DATE; BE PAYABLE  
19 UPON DEMAND OR MATURE AT SUCH TIME AS MAY BE DETERMINED BY THE  
20 FINANCING ENTITY NOT TO EXCEED THIRTY YEARS, EXCEPT AS THE  
21 MATURITY MAY BE EXTENDED IN ACCORDANCE WITH SECTION 24-46-406  
22 (4) AND IN ACCORDANCE WITH ARTICLE 57 OF TITLE 11; BEAR INTEREST AT  
23 A RATE PAYABLE OR COMPOUNDABLE AT INTERVALS DETERMINED BY THE  
24 FINANCING ENTITY; BE IN SUCH DENOMINATION; BE IN SUCH FORM, EITHER  
25 COUPON OR REGISTERED OR OTHERWISE; CARRY SUCH CONVERSION OR  
26 REGISTRATION PRIVILEGES; HAVE SUCH RANK OR PRIORITY; BE EXECUTED  
27 IN THE NAME OF THE FINANCING ENTITY IN SUCH MANNER, BE PAYABLE IN

1 SUCH MEDIUM OF PAYMENT; BE PAYABLE AT SUCH PLACE; BE SUBJECT TO  
2 SUCH CALLABILITY PROVISIONS OR TERMS OF REDEMPTION, WITH OR  
3 WITHOUT PREMIUMS; BE SECURED IN SUCH MANNER; BE OF SUCH  
4 DESCRIPTION; CONTAIN OR BE SUBJECT TO SUCH COVENANTS, PROVISIONS,  
5 TERMS, CONDITIONS, AND AGREEMENTS, INCLUDING PROVISIONS  
6 CONCERNING EVENTS OF DEFAULT; AND HAVE OTHER CHARACTERISTICS  
7 THAT MAY BE PROVIDED BY THE RESOLUTION OR BY THE TRUST  
8 AGREEMENT, INDENTURE, OR MORTGAGE, IF ANY, ISSUED PURSUANT TO  
9 THE RESOLUTION. THE SEAL, OR A FACSIMILE THEREOF, OF THE FINANCING  
10 ENTITY SHALL BE AFFIXED, IMPRINTED, ENGRAVED, OR OTHERWISE  
11 REPRODUCED UPON EACH OF ITS BONDS ISSUED UNDER THIS SECTION.  
12 BONDS ISSUED UNDER THIS SECTION SHALL BE EXECUTED IN THE NAME OF  
13 THE FINANCING ENTITY BY THE MANUAL OR FACSIMILE SIGNATURES OF  
14 OFFICIALS THAT MAY BE DESIGNATED IN SAID RESOLUTION OR TRUST  
15 AGREEMENT, INDENTURE, OR MORTGAGE. COUPONS, IF ANY, ATTACHED TO  
16 THE BONDS SHALL BEAR THE FACSIMILE SIGNATURE OF THE OFFICIAL OF  
17 THE FINANCING ENTITY THAT MAY BE DESIGNATED AS PROVIDED IN THIS  
18 SUBSECTION (7). SAID RESOLUTION OR TRUST AGREEMENT, INDENTURE, OR  
19 MORTGAGE MAY PROVIDE FOR THE AUTHENTICATION OF THE PERTINENT  
20 BONDS BY THE TRUSTEE.

21 (8) BONDS ISSUED UNDER THIS SECTION MAY BE SOLD BY THE  
22 FINANCING ENTITY IN A MANNER AND FOR A PRICE AS THE FINANCING  
23 ENTITY, IN ITS DISCRETION, MAY DETERMINE, AT PAR, BELOW PAR, OR  
24 ABOVE PAR, AT PRIVATE SALE OR AT PUBLIC SALE AFTER NOTICE IS  
25 PUBLISHED PRIOR TO THE SALE IN A NEWSPAPER HAVING GENERAL  
26 CIRCULATION IN THE MUNICIPALITY, OR IN ANOTHER MEDIUM OF  
27 PUBLICATION AS THE FINANCING ENTITY MAY DEEM APPROPRIATE IN

1 ACCORDANCE WITH SECTION 24-6-402, OR MAY BE EXCHANGED BY THE  
2 FINANCING ENTITY FOR OTHER BONDS ISSUED BY IT UNDER THIS SECTION.

3 (9) IF ANY OF THE OFFICIALS OF THE FINANCING ENTITY WHOSE  
4 SIGNATURES OR FACSIMILE SIGNATURES APPEAR ON ANY OF ITS BONDS OR  
5 COUPONS ISSUED UNDER THIS SECTION CEASE TO BE OFFICIALS AFTER THE  
6 AUTHORIZATION THEREOF, BUT BEFORE THE DELIVERY OF THE BONDS, THE  
7 SIGNATURES OR FACSIMILE SIGNATURES, AS THE CASE MAY BE, ARE  
8 NEVERTHELESS VALID AND SUFFICIENT FOR ALL PURPOSES, THE SAME AS  
9 IF THE OFFICIALS HAD REMAINED IN OFFICE UNTIL THE DELIVERY.

10 (10) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ANY  
11 BONDS THAT ARE ISSUED PURSUANT TO THIS SECTION ARE FULLY  
12 NEGOTIABLE.

13 (11) IN ANY SUIT, ACTION, OR PROCEEDING INVOLVING THE  
14 VALIDITY OR ENFORCEABILITY OF ANY A BOND THAT IS ISSUED UNDER THIS  
15 SECTION OR THE SECURITY OF SUCH A BOND, ANY BOND RECITING IN  
16 SUBSTANCE THAT IT HAS BEEN ISSUED BY THE FINANCING ENTITY IN  
17 CONNECTION WITH A TRANSIT INVESTMENT PROJECT OR ANY ACTIVITY OR  
18 OPERATION OF THE FINANCING ENTITY UNDER THIS PART 4 IS  
19 CONCLUSIVELY DEEMED TO HAVE BEEN ISSUED FOR SUCH PURPOSES; AND  
20 SUCH TRANSIT INVESTMENT PROJECT OR SUCH OPERATION OR ACTIVITY, AS  
21 THE CASE MAY BE, IS CONCLUSIVELY DEEMED TO HAVE BEEN INITIATED,  
22 PLANNED, LOCATED, UNDERTAKEN, ACCOMPLISHED, AND CARRIED OUT IN  
23 ACCORDANCE WITH THIS PART 4. NO LEGAL OR EQUITABLE ACTION  
24 BROUGHT WITH RESPECT TO THE VALIDITY OR ENFORCEABILITY OF ANY  
25 BOND THAT IS ISSUED UNDER THIS SECTION OR THE SECURITY OF SUCH A  
26 BOND SHALL BE COMMENCED MORE THAN THIRTY DAYS AFTER THE  
27 AUTHORIZATION OF THE BOND OR BONDS BY THE FINANCING ENTITY.

1 (12) PENDING THE PREPARATION OF ANY DEFINITIVE BONDS UNDER  
2 THIS SECTION, A FINANCING ENTITY MAY ISSUE ITS INTERIM CERTIFICATES  
3 OR RECEIPTS OR ITS TEMPORARY BONDS, WITH OR WITHOUT COUPONS,  
4 EXCHANGEABLE FOR DEFINITIVE BONDS WHEN THE LATTER HAVE BEEN  
5 EXECUTED AND ARE AVAILABLE FOR DELIVERY.

6 (13) A PERSON RETAINED OR EMPLOYED BY A FINANCING ENTITY  
7 AS AN ADVISOR OR A CONSULTANT FOR THE PURPOSE OF RENDERING  
8 FINANCIAL ADVICE AND ASSISTANCE MAY PURCHASE OR PARTICIPATE IN  
9 THE PURCHASE OR DISTRIBUTION OF ITS BONDS WHEN THE BONDS ARE  
10 OFFERED AT PUBLIC OR PRIVATE SALE.

11 (14) NO COMMISSIONER OR OTHER OFFICER OF A FINANCING  
12 ENTITY ISSUING BONDS UNDER THIS SECTION AND NO PERSON EXECUTING  
13 THE BONDS IS LIABLE PERSONALLY ON THE BONDS OR IS SUBJECT TO ANY  
14 PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE  
15 OF THE BONDS.

16 (15) NO COMMISSIONER OR OTHER OFFICER OF A TRANSIT  
17 INVESTMENT AUTHORITY ISSUING BONDS PURSUANT TO THIS PART 4 AND  
18 NO PERSON EXECUTING THE BONDS IS LIABLE PERSONALLY ON THE BONDS  
19 OR SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON  
20 OF THE ISSUANCE OF THE BONDS.

21 (16) BONDS THAT ARE ISSUED PURSUANT TO THIS PART 4 ARE  
22 DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND GOVERNMENTAL  
23 PURPOSE AND, TOGETHER WITH INTEREST THEREON AND INCOME  
24 THEREFROM, ARE EXEMPT FROM ALL STATE OF COLORADO TAXES.

25 **SECTION 3.** In Colorado Revised Statutes, **add** 24-35-123 as  
26 follows:

27 **24-35-123. Transit investment area - authority of department**

1     **- definitions.**

2             (1) IN ADDITION TO THE OTHER FUNCTIONS AND POWERS OF THE  
3     DEPARTMENT AND THE EXECUTIVE DIRECTOR PURSUANT TO THIS PART 1,  
4     THE DEPARTMENT SHALL:

5             (a) ESTABLISH AND DETERMINE THE BASE YEAR REVENUE FOR  
6     EACH TRANSIT INVESTMENT AREA;

7             (b) COLLECT, ACCOUNT FOR, AND REMIT TO THE APPLICABLE  
8     FINANCING ENTITY THE RELEVANT AMOUNT OF STATE SALES TAX  
9     INCREMENT REVENUE GENERATED WITHIN EACH TRANSIT INVESTMENT  
10    AREA;

11            (c) SHARE DATA AS NECESSARY WITH THE COLORADO OFFICE OF  
12    ECONOMIC DEVELOPMENT IN CONNECTION WITH THE "TRANSIT  
13    INVESTMENT AREA ACT", PART 4 OF ARTICLE 46 OF THIS TITLE 24; AND

14            (d) OTHERWISE PERFORM THE FUNCTIONS REQUIRED OF THE  
15    DEPARTMENT IN THE WRITTEN NOTICE PROVIDED TO THE EXECUTIVE  
16    DIRECTOR IN CONNECTION WITH THE ESTABLISHMENT OF A FINANCING  
17    ENTITY OR TRANSIT INVESTMENT AREA.

18            (2) THE EXECUTIVE DIRECTOR HAS THE AUTHORITY TO:

19            (a) CREATE FORMS AND ADOPT RULES AS NECESSARY OR  
20    CONVENIENT TO IMPLEMENT THE DEPARTMENT'S RESPONSIBILITIES WITH  
21    RESPECT TO THE DETERMINATION OF BASE YEAR REVENUE, COLLECTION  
22    AND DISBURSEMENT OF STATE SALES TAX INCREMENT REVENUE, AND  
23    OTHER FUNCTIONS OF THE DEPARTMENT PURSUANT TO PART 4 OF ARTICLE  
24    46 OF THIS TITLE 24; AND

25            (b) ENTER INTO CONTRACTS WITH FINANCING ENTITIES, IN THE  
26    MANNER PROVIDED FOR IN SECTION 24-35-110, REGARDING THE  
27    PERFORMANCE OF THE DEPARTMENT'S FUNCTIONS IN IMPLEMENTING PART

1 4 OF ARTICLE 46 OF THIS TITLE 24.

2 (3) ALL STATE SALES TAX INCREMENT REVENUE COLLECTED BY  
3 THE DEPARTMENT ON BEHALF OF A FINANCING ENTITY IS FOR ALL  
4 PURPOSES ASSIGNED TO, THE PROPERTY OF, AND THE REVENUE OF THE  
5 APPLICABLE FINANCING ENTITY AND IS NOT TO BE CONSTRUED OR TREATED  
6 FOR ANY PURPOSE AS REVENUE OR PROPERTY OF THE STATE.

7 (4) IN COLLECTING AND DISBURSING STATE SALES TAX INCREMENT  
8 REVENUE AS PROVIDED IN THIS SECTION AND OTHERWISE PERFORMING ITS  
9 RESPONSIBILITIES PURSUANT TO PART 4 OF ARTICLE 46 OF THIS TITLE 24,  
10 THE DEPARTMENT SHALL ACT SOLELY AS A COLLECTING AGENT FOR A  
11 FINANCING ENTITY AND SHALL SEGREGATE IN A SEPARATE FUND ANY  
12 PORTION OF STATE SALES TAX INCREMENT REVENUE THAT IS DEDICATED  
13 TO THE FINANCING ENTITY BUT WILL NOT BE REMITTED TO THE FINANCING  
14 ENTITY IN THE IMMEDIATE FUTURE.

15 (5) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
16 REQUIRES:

17 (a) "BASE YEAR REVENUE" HAS THE MEANING SET FORTH IN  
18 SECTION 24-46-402 (2).

19 (b) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE  
20 CREATED IN SECTION 24-35-101.

21 (c) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF  
22 THE DEPARTMENT.

23 (d) "FINANCING ENTITY" HAS THE MEANING SET FORTH IN SECTION  
24 24-46-402 (11).

25 (e) "STATE SALES TAX INCREMENT REVENUE" HAS THE MEANING  
26 SET FORTH IN SECTION 24-46-402 (17).

27 (f) "TRANSIT INVESTMENT AREA" HAS THE MEANING SET FORTH IN

1 SECTION 24-46-402 (20).

2 SECTION 4. In Colorado Revised Statutes, add 24-48.5-136 as  
3 follows:

4 24-48.5-136. Transit and housing investment zones map -  
5 transit and housing investment zone criteria - definitions.

6 (1) ON OR BEFORE OCTOBER 30, 2026, THE COLORADO OFFICE OF  
7 ECONOMIC DEVELOPMENT, IN CONSULTATION WITH THE DEPARTMENT OF  
8 LOCAL AFFAIRS AND THE DEPARTMENT OF TRANSPORTATION, SHALL  
9 PUBLISH A TRANSIT AND HOUSING INVESTMENT ZONE MAP BASED ON THE  
10 CRITERIA FOR IDENTIFYING TRANSIT AND HOUSING INVESTMENT ZONES  
11 ESTABLISHED IN SUBSECTION (2) OF THIS SECTION.

12 (2) THE OFFICE SHALL DESIGNATE TRANSIT AND HOUSING  
13 INVESTMENT ZONES, FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION,  
14 AND SHALL DO SO BASED ON THE LOCATION OF TRANSPORTATION  
15 FACILITIES AS IDENTIFIED IN A PUBLISHED TRANSIT PLAN AND MAY, IN  
16 CONSULTATION WITH LOCAL GOVERNMENTS AND TRANSIT AGENCIES, USE  
17 PREEXISTING ROUTES, MAPS, AND SCHEDULES TO INFORM THE OFFICE'S  
18 DESIGNATION OF TRANSIT AND HOUSING INVESTMENT ZONES.

19 (3) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
20 REQUIRES:

21 (a) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC  
22 DEVELOPMENT CREATED IN SECTION 24-48.5-101.

23 (b) "PASSENGER RAIL STATION" HAS THE MEANING SET FORTH IN  
24 SECTION 32-22-102 (8).

25 (c) "TRANSIT AND HOUSING INVESTMENT ZONE" MEANS THE AREA  
26 WITHIN TWO MILES OF A TRANSPORTATION FACILITY AS IDENTIFIED BY THE  
27 DEPARTMENT IN THE TRANSIT AND HOUSING INVESTMENT ZONES MAP

1 CREATED PURSUANT TO SUBSECTION (1) OF THIS SECTION.

2 (d) "TRANSIT STATION" HAS THE MEANING SET FORTH IN SECTION  
3 24-46-402 (23).

4 (e) "TRANSPORTATION FACILITY" MEANS A TRANSIT STATION OR  
5 PASSENGER RAIL STATION.

6 **SECTION 5.** In Colorado Revised Statutes, 29-1-102, **amend**  
7 (13) as follows:

8 **29-1-102. Definitions.**

9 As used in this part 1, unless the context otherwise requires:

10 (13) "Local government" means any authority, county,  
11 municipality, city and county, district, or other political subdivision of the  
12 state of Colorado; any institution, department, agency, or authority of any  
13 of the foregoing; and any other entity, organization, or corporation  
14 formed by intergovernmental agreement or other contract between or  
15 among any of the foregoing. The office of the county public trustee shall  
16 be deemed an agency of the county for the purposes of this part 1. "Local  
17 government" does not include the Colorado educational and cultural  
18 facilities authority, the university of Colorado hospital authority,  
19 collegeinvest, the Colorado health facilities authority, the Colorado  
20 housing and finance authority, the Colorado agricultural development  
21 authority, the Colorado sheep and wool authority, the Colorado beef  
22 council authority, the Colorado horse development authority, the building  
23 urgent infrastructure and leveraging dollars authority, the middle-income  
24 housing authority, the fire and police pension association, A TRANSIT  
25 INVESTMENT AUTHORITY, any public entity insurance or investment pool  
26 formed pursuant to state law, any county or municipal housing authority,  
27 any association of political subdivisions formed pursuant to section

1 29-1-401, or any home rule city or town, home rule city and county, cities  
2 and towns operating under a territorial charter, school district, or local  
3 college district.

4 **SECTION 6.** In Colorado Revised Statutes, **add** 30-31-116.5 as  
5 follows:

6 **30-31-116.5. Transit investment areas - definition.**

7 (1) A COUNTY REVITALIZATION AUTHORITY THAT IS DESIGNATED  
8 AS A FINANCING ENTITY, PURSUANT TO PART 4 OF ARTICLE 46 OF TITLE 24,  
9 HAS ALL THE POWERS NECESSARY OR CONVENIENT TO CARRY OUT PART 4  
10 OF ARTICLE 46 OF TITLE 24, INCLUDING THE POWER TO RECEIVE STATE  
11 SALES TAX INCREMENT REVENUE GENERATED WITHIN AN APPROVED  
12 TRANSIT INVESTMENT AREA, AS DEFINED IN SECTION 24-46-402 (20), AND  
13 TO DISBURSE AND OTHERWISE USE THE REVENUE FOR ALL LAWFUL  
14 PURPOSES, INCLUDING FINANCING ELIGIBLE COSTS AND THE DESIGN,  
15 CONSTRUCTION, MAINTENANCE, AND OPERATION OF ELIGIBLE  
16 IMPROVEMENTS, AS SUCH TERMS ARE DEFINED IN SECTION 24-46-402 OR  
17 OTHERWISE INCORPORATED INTO THE COLORADO ECONOMIC  
18 DEVELOPMENT COMMISSION'S CONDITIONS OF APPROVAL.

19 (2) NOTWITHSTANDING SECTION 30-31-109 (8), AUTHORIZATION  
20 TO RECEIVE STATE SALES TAX INCREMENT REVENUE, PURSUANT TO PART  
21 4 OF ARTICLE 46 OF TITLE 24, IS NOT A SUBSTANTIAL MODIFICATION TO  
22 THE PLAN, AND CORRESPONDING CHANGES TO THE PLAN MAY BE MADE BY  
23 THE GOVERNING BODY OF THE AUTHORITY TO INCORPORATE THE USE OF  
24 STATE SALES TAX INCREMENT REVENUE WITHOUT THE REQUIREMENT OF  
25 SUBMISSION TO OR APPROVAL BY THE GOVERNING BODY OF THE COUNTY  
26 THAT HAS ESTABLISHED THE AUTHORITY.

27 (3) A COUNTY REVITALIZATION AUTHORITY THAT RECEIVES STATE

1 SALES TAX INCREMENT REVENUE, WHETHER PURSUANT TO DESIGNATION  
2 AS A FINANCING ENTITY PURSUANT TO PART 4 OF ARTICLE 46 OF TITLE 24,  
3 OR PURSUANT TO A CONTRACT ENTERED INTO WITH ANY SUCH FINANCING  
4 ENTITY, SHALL NOT USE THE STATE SALES TAX INCREMENT REVENUE TO  
5 ACQUIRE PROPERTY THROUGH THE EXERCISE OF EMINENT DOMAIN.

6 (4) NOTHING IN THIS SECTION OBVIATES OR OVERRIDES THE  
7 REQUIREMENTS FOR THE AUTHORIZATION OF A NEW COUNTY  
8 REVITALIZATION AUTHORITY PURSUANT TO THIS ARTICLE 31.

9 (5) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
10 REQUIRES, "STATE SALES TAX INCREMENT REVENUE" HAS THE MEANING  
11 SET FORTH IN SECTION 24-46-402 (17).

12 **SECTION 7.** In Colorado Revised Statutes, **add** 31-25-117 as  
13 follows:

14 **31-25-117. Transit investment areas - definition.**

15 (1) AN URBAN RENEWAL AUTHORITY THAT IS DESIGNATED AS A  
16 FINANCING ENTITY PURSUANT TO PART 4 OF ARTICLE 46 OF TITLE 24 HAS  
17 ALL OF THE POWERS NECESSARY OR CONVENIENT TO CARRY OUT PART 4 OF  
18 ARTICLE 46 OF TITLE 24, INCLUDING THE POWERS TO RECEIVE STATE SALES  
19 TAX INCREMENT REVENUE GENERATED WITHIN AN APPROVED TRANSIT  
20 INVESTMENT AREA, AS DEFINED IN SECTION 24-46-402 (20), AND DISBURSE  
21 AND OTHERWISE USE SUCH REVENUE FOR ALL LAWFUL PURPOSES,  
22 INCLUDING FINANCING OF ELIGIBLE COSTS AND THE DESIGN,  
23 CONSTRUCTION, MAINTENANCE, AND OPERATION OF ELIGIBLE  
24 IMPROVEMENTS, AS SUCH TERMS ARE DEFINED IN SECTION 24-46-402, OR  
25 OTHERWISE INCORPORATED INTO THE COLORADO ECONOMIC  
26 DEVELOPMENT COMMISSION'S CONDITIONS OF APPROVAL.

27 (2) NOTWITHSTANDING SECTION 31-25-107 (7), AUTHORIZATION

1 TO RECEIVE STATE SALES TAX INCREMENT REVENUE, PURSUANT TO PART  
2 4 OF ARTICLE 46 OF TITLE 24, IS NOT A SUBSTANTIAL MODIFICATION TO  
3 THE PLAN AND CORRESPONDING CHANGES TO THE PLAN MAY BE MADE BY  
4 THE GOVERNING BODY OF THE AUTHORITY TO INCORPORATE THE USE OF  
5 STATE SALES TAX INCREMENT REVENUE WITHOUT THE REQUIREMENT OF  
6 SUBMISSION TO OR APPROVAL BY THE GOVERNING BODY OF A  
7 MUNICIPALITY THAT HAS ESTABLISHED THE AUTHORITY PURSUANT TO  
8 SECTION 31-25-104 (1).

9 (3) AN URBAN RENEWAL AUTHORITY THAT RECEIVES STATE SALES  
10 TAX INCREMENT REVENUE, WHETHER PURSUANT TO DESIGNATION AS A  
11 FINANCING ENTITY PURSUANT TO PART 4 OF ARTICLE 46 OF TITLE 24, OR  
12 PURSUANT TO A CONTRACT ENTERED INTO WITH ANY SUCH FINANCING  
13 ENTITY, SHALL NOT USE THE STATE SALES TAX INCREMENT REVENUE TO  
14 ACQUIRE PROPERTY THROUGH THE EXERCISE OF EMINENT DOMAIN.

15 (4) NOTHING IN THIS SECTION OBIATES OR OVERRIDES THE  
16 REQUIREMENTS FOR THE AUTHORIZATION OF A NEW URBAN RENEWAL  
17 AUTHORITY UNDER THIS PART 1.

18 (5) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
19 REQUIRES, "STATE SALES TAX INCREMENT REVENUE" HAS THE MEANING  
20 SET FORTH IN SECTION 24-46-402 (17).

21 **SECTION 8.** In Colorado Revised Statutes, **add** 32-1-1010 as  
22 follows:

23 **32-1-1010. Transit investment areas - definition.**

24 (1) IN ADDITION TO THE POWERS SPECIFIED IN THIS PART 10, AND  
25 NOTWITHSTANDING ANY LIMITATION ON THE POWERS OF A METROPOLITAN  
26 DISTRICT OTHERWISE SPECIFIED IN THIS PART 10 OR IN THE METROPOLITAN  
27 DISTRICT'S SERVICE PLAN, ANY METROPOLITAN DISTRICT DESIGNATED AS

1 AN APPROVED FINANCING ENTITY, PURSUANT TO PART 4 OF ARTICLE 46 OF  
2 TITLE 24, HAS ALL THE POWERS NECESSARY OR CONVENIENT TO CARRY  
3 OUT PART 4 OF ARTICLE 46 OF TITLE 24, INCLUDING THE POWER TO  
4 RECEIVE STATE SALES TAX INCREMENT REVENUE AND TO DISBURSE AND  
5 OTHERWISE USE SUCH REVENUE FOR ALL LAWFUL PURPOSES PURSUANT TO  
6 PART 4 OF ARTICLE 4 OF TITLE 24. LAWFUL PURPOSES INCLUDE THE  
7 FINANCING OF ELIGIBLE COSTS AND THE DESIGN, CONSTRUCTION,  
8 MAINTENANCE, AND OPERATION OF ELIGIBLE IMPROVEMENTS AS DEFINED  
9 IN SECTION 24-46-402 (10) OR OTHERWISE INCORPORATED INTO THE  
10 COLORADO ECONOMIC DEVELOPMENT COMMISSION'S CONDITIONS OF  
11 APPROVAL PURSUANT TO PART 4 OF ARTICLE 46 OF TITLE 24.

12 (2) NOTWITHSTANDING ANY PROVISION OF SECTION 32-1-207 OR  
13 OF THE METROPOLITAN DISTRICT'S SERVICE PLAN, AUTHORIZATION TO  
14 RECEIVE STATE SALES TAX INCREMENT REVENUE, PURSUANT TO PART 4 OF  
15 ARTICLE 46 OF TITLE 24, IS NOT CONSIDERED A SUBSTANTIAL  
16 MODIFICATION TO THE PLAN AND CORRESPONDING CHANGES TO THE PLAN  
17 MAY BE MADE BY THE GOVERNING BODY TO INCORPORATE THE USE OF  
18 STATE SALES TAX INCREMENT REVENUE OF THE METROPOLITAN DISTRICT  
19 WITHOUT THE REQUIREMENT OF PETITION TO OR APPROVAL BY THE BOARD  
20 OF COUNTY COMMISSIONERS OR THE GOVERNING BODY OF THE  
21 MUNICIPALITY, AS APPLICABLE.

22 (3) A METROPOLITAN DISTRICT RECEIVING STATE SALES TAX  
23 INCREMENT REVENUE, WHETHER PURSUANT TO DESIGNATION AS A  
24 FINANCING ENTITY PURSUANT TO PART 4 OF ARTICLE 46 OF TITLE 24, OR  
25 PURSUANT TO A CONTRACT ENTERED INTO WITH ANY SUCH ENTITY, SHALL  
26 NOT USE THE STATE SALES TAX INCREMENT REVENUE TO ACQUIRE  
27 PROPERTY THROUGH THE EXERCISE OF EMINENT DOMAIN.

1 (4) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
2 REQUIRES, "STATE SALES TAX INCREMENT REVENUE" HAS THE MEANING  
3 SET FORTH IN SECTION 24-46-402 (17).

4 **SECTION 9.** In Colorado Revised Statutes, 39-21-113, **add** (40)  
5 as follows:

6 **39-21-113. Reports and returns - rule - repeal.**

7 (40)(a) NOTWITHSTANDING THE CONFIDENTIALITY REQUIREMENTS  
8 IN THIS SECTION:

9 (I) THE EXECUTIVE DIRECTOR MAY PROVIDE THE COLORADO  
10 OFFICE OF ECONOMIC DEVELOPMENT WITH ANY INFORMATION OBTAINED  
11 PURSUANT TO THIS SECTION IN RELATION TO PART 4 OF ARTICLE 46 OF  
12 TITLE 24; AND

13 (II) BOTH THE EXECUTIVE DIRECTOR AND THE COLORADO OFFICE  
14 OF ECONOMIC DEVELOPMENT MAY PROVIDE INFORMATION OBTAINED  
15 PURSUANT TO THIS SECTION IN RELATION TO PART 4 OF ARTICLE 46 OF  
16 TITLE 24 TO A THIRD-PARTY ANALYST.

17 (b) ANY INFORMATION PROVIDED TO THE COLORADO OFFICE OF  
18 ECONOMIC DEVELOPMENT OR A THIRD-PARTY ANALYST PURSUANT TO THIS  
19 SUBSECTION (40) IS CONFIDENTIAL, AND ALL EMPLOYEES OF THE  
20 COLORADO OFFICE OF ECONOMIC DEVELOPMENT AND THE THIRD-PARTY  
21 ANALYST ARE SUBJECT TO THE LIMITATIONS SET FORTH IN SUBSECTION (4)  
22 OF THIS SECTION AND THE PENALTIES SPECIFIED IN SUBSECTION (6) OF THIS  
23 SECTION.

24 **SECTION 10.** In Colorado Revised Statutes, **add** part 57 to  
25 article 22 of title 39 as follows:

26 PART 57  
27 COLORADO AFFORDABLE HOUSING IN

1 TRANSIT AND HOUSING INVESTMENT ZONES

2 TAX CREDIT

3 **39-22-5701. Tax preference performance statement - report.**

4 (1) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH  
5 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE  
6 A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY  
7 LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS AND  
8 DECLARES THAT THE PURPOSE OF THE TAX CREDIT PROVIDED IN THIS  
9 SECTION IS TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS BY  
10 SUPPORTING THE DEVELOPMENT OF AFFORDABLE HOUSING WITHIN  
11 TRANSIT AND HOUSING INVESTMENT ZONES.

12 (2) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL  
13 MEASURE THE EFFECTIVENESS OF THE CREDIT IN ACHIEVING THE PURPOSE  
14 SPECIFIED IN SUBSECTION (1) OF THIS SECTION BASED ON THE REPORT  
15 DESCRIBED IN SUBSECTION (3) OF THIS SECTION.

16 (3) FOR EACH ALLOCATION YEAR, THE AUTHORITY SHALL, BY  
17 DECEMBER 31 OF THAT YEAR, PROVIDE A WRITTEN REPORT TO THE  
18 GENERAL ASSEMBLY AND MAKE THE REPORT AVAILABLE TO THE PUBLIC.  
19 WITH RESPECT TO TAX CREDITS ALLOCATED PURSUANT TO THIS PART 57,  
20 THE REPORT MUST:

21 (a) SPECIFY THE TOTAL NUMBER OF QUALIFIED DEVELOPMENTS  
22 AND UNITS SUPPORTED BY EACH DEVELOPMENT IN CONNECTION WITH THE  
23 CREDIT;

24 (b) DESCRIBE EACH QUALIFIED DEVELOPMENT IN CONNECTION  
25 WITH WHICH THE AUTHORITY ISSUED CREDITS, INCLUDING IN THAT  
26 DESCRIPTION THE GEOGRAPHIC LOCATION OF THE DEVELOPMENT, THE  
27 HOUSEHOLD TYPE AND ANY SPECIFIC DEMOGRAPHIC INFORMATION

1 AVAILABLE ABOUT RESIDENTS INTENDED TO BE SERVED BY THE  
2 DEVELOPMENT, THE INCOME LEVELS INTENDED TO BE SERVED BY THE  
3 DEVELOPMENT, AND THE RENTS OR SET-ASIDES AUTHORIZED FOR EACH  
4 DEVELOPMENT; AND

5 (c) PROVIDE HOUSING MARKET AND DEMOGRAPHIC INFORMATION  
6 THAT DEMONSTRATES HOW THE QUALIFIED DEVELOPMENTS SUPPORTED BY  
7 CREDITS ARE ADDRESSING THE NEED FOR AFFORDABLE HOUSING WITHIN  
8 THE COMMUNITIES THEY ARE INTENDED TO SERVE AS WELL AS  
9 INFORMATION ABOUT ANY REMAINING DISPARITIES IN THE AFFORDABILITY  
10 OF HOUSING WITHIN THOSE COMMUNITIES.

11 **39-22-5702. Definitions.**

12 AS USED IN THIS PART 57, UNLESS THE CONTEXT OTHERWISE  
13 REQUIRES:

14 (1) "ALLOCATION CERTIFICATE" MEANS A STATEMENT ISSUED BY  
15 THE AUTHORITY CERTIFYING THAT A GIVEN DEVELOPMENT QUALIFIES FOR  
16 THE CREDIT AND SPECIFYING THE AMOUNT OF THE CREDIT ALLOWED.

17 (2) "ALLOCATION PLAN" MEANS AN ALLOCATION PLAN ADOPTED  
18 BY THE AUTHORITY THAT GOVERNS THE SELECTION CRITERIA AND  
19 PREFERENCES FOR ALLOCATING THE TAX CREDIT ALLOWED PURSUANT TO  
20 THIS PART 57.

21 (3) "AUTHORITY" MEANS THE COLORADO HOUSING AND FINANCE  
22 AUTHORITY CREATED IN SECTION 29-4-704.

23 (4) "COMPLIANCE PERIOD" MEANS THE PERIOD OF FIFTEEN YEARS  
24 BEGINNING WITH THE FIRST INCOME TAX YEAR OF A CREDIT PERIOD.

25 (5) "CREDIT" MEANS THE COLORADO AFFORDABLE HOUSING IN  
26 TRANSIT AND HOUSING INVESTMENT ZONES TAX CREDIT ALLOWED  
27 PURSUANT TO THIS PART 57.

1           (6) "CREDIT PERIOD" MEANS THE PERIOD OF SIX INCOME TAX  
2 YEARS BEGINNING WITH THE INCOME TAX YEAR IN WHICH A QUALIFIED  
3 DEVELOPMENT IS PLACED IN SERVICE. IF A QUALIFIED DEVELOPMENT IS  
4 COMPRISED OF MORE THAN ONE BUILDING, THE DEVELOPMENT IS DEEMED  
5 TO BE PLACED IN SERVICE IN THE INCOME TAX YEAR DURING WHICH THE  
6 LAST BUILDING OF THE QUALIFIED DEVELOPMENT IS PLACED IN SERVICE.

7           (7) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

8           (8) "FEDERAL TAX CREDIT" MEANS THE FEDERAL LOW-INCOME  
9 HOUSING TAX CREDIT PROVIDED BY SECTION 42 OF THE INTERNAL  
10 REVENUE CODE.

11           (9) "QUALIFIED BASIS" MEANS THE QUALIFIED BASIS OF THE  
12 DEVELOPMENT AS DETERMINED PURSUANT TO SECTION 42 OF THE  
13 INTERNAL REVENUE CODE.

14           (10) "QUALIFIED DEVELOPMENT" MEANS A HOUSING  
15 DEVELOPMENT THAT IS LOCATED IN A TRANSIT AND HOUSING INVESTMENT  
16 ZONE WITHIN THE STATE AND IS DETERMINED BY THE AUTHORITY TO MEET  
17 THE CRITERIA ESTABLISHED IN THE ALLOCATION PLAN, INCLUDING  
18 PROVIDING THE REQUIRED NUMBER OF AFFORDABLE HOUSING UNITS.

19           (11) "QUALIFIED TAXPAYER" MEANS AN INDIVIDUAL, A PERSON, A  
20 FIRM, A CORPORATION, OR ANY OTHER ENTITY THAT OWNS AN INTEREST,  
21 DIRECT OR INDIRECT, IN A QUALIFIED DEVELOPMENT AND IS SUBJECT TO  
22 THE TAXES IMPOSED BY THIS ARTICLE 22.

23           (12) "TRANSIT AND HOUSING INVESTMENT ZONE" MEANS THE AREA  
24 DESIGNATED BY THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT IN  
25 THE TRANSIT AND HOUSING INVESTMENT ZONE MAP PURSUANT TO SECTION  
26 24-48.5-136.

27           **39-22-5703. Credit against tax - affordable housing located in**

1     **a transit and housing investment zone.**

2           (1) FOR INCOME TAX YEARS DURING THE CREDIT PERIOD, THERE IS  
3     ALLOWED TO ANY QUALIFIED TAXPAYER A CREDIT WITH RESPECT TO THE  
4     INCOME TAXES IMPOSED BY THIS ARTICLE 22 IN THE AMOUNT DETERMINED  
5     BY THE AUTHORITY PURSUANT TO THIS PART 57.

6           (2) (a) DURING EACH CALENDAR YEAR OF THE PERIOD BEGINNING  
7     ON JANUARY 1, 2027, AND ENDING ON DECEMBER 31, 2033, THE  
8     AUTHORITY MAY ALLOCATE A CREDIT, THE FULL AMOUNT OF WHICH MAY  
9     BE CLAIMED AGAINST THE TAXES IMPOSED BY THIS ARTICLE 22, FOR EACH  
10    INCOME TAX YEAR OF THE SIX-YEAR CREDIT PERIOD. DURING EACH  
11    CALENDAR YEAR OF THE PERIOD BEGINNING ON JANUARY 1, 2027, AND  
12    ENDING ON DECEMBER 31, 2033, THE AGGREGATE AMOUNT OF THE  
13    CREDITS ALLOCATED BY THE AUTHORITY SHALL NOT EXCEED EIGHT  
14    MILLION THREE HUNDRED THIRTY-THREE THOUSAND THREE HUNDRED  
15    THIRTY-THREE DOLLARS.

16           (b) THE AUTHORITY MAY ALSO ALLOCATE NO MORE THAN HALF OF  
17    ANY UNALLOCATED CREDITS FROM THE IMMEDIATELY PRECEDING  
18    CALENDAR YEAR, AND THESE UNALLOCATED CREDITS ARE NOT INCLUDED  
19    IN THE ANNUAL DOLLAR LIMITS SPECIFIED IN SUBSECTION (2)(a) OF THIS  
20    SECTION.

21           (c) THE AGGREGATE AMOUNT OF CREDITS ALLOCATED BY THE  
22    AUTHORITY IN EACH OF THE 2027 THROUGH 2033 CALENDAR YEARS MUST  
23    NOT EXCEED THE AGGREGATE AMOUNT OF ANY CREDIT RECAPTURED OR  
24    OTHERWISE RETURNED TO THE AUTHORITY IN THE CALENDAR YEAR.

25           (3) THE AUTHORITY MAY ALLOCATE CREDITS TO AN OWNER OF A  
26    QUALIFIED DEVELOPMENT BY ISSUING TO THE OWNER AN ALLOCATION  
27    CERTIFICATE. THE AUTHORITY MAY DETERMINE THE TIME AT WHICH THE

1 ALLOCATION CERTIFICATE IS ISSUED. THE CREDIT MUST BE IN AN AMOUNT  
2 DETERMINED BY THE AUTHORITY, SUBJECT TO THE FOLLOWING  
3 GUIDELINES:

4 (a) THE CREDIT MUST BE NECESSARY FOR THE FINANCIAL  
5 FEASIBILITY OF THE DEVELOPMENT; AND

6 (b) THE AGGREGATE SUM OF CREDITS ALLOCATED ANNUALLY  
7 MUST NOT EXCEED THE LIMITS SET FORTH IN SUBSECTION (2) OF THIS  
8 SECTION.

9 (4) IF AN OWNER OF A QUALIFIED DEVELOPMENT RECEIVING AN  
10 ALLOCATION OF A CREDIT IS A PARTNERSHIP, LIMITED LIABILITY COMPANY,  
11 S CORPORATION, OR SIMILAR PASS-THROUGH ENTITY, THE OWNER MAY  
12 ALLOCATE THE CREDIT AMONG ITS PARTNERS, SHAREHOLDERS, MEMBERS,  
13 OR OTHER QUALIFIED TAXPAYERS IN ANY MANNER AGREED TO BY SUCH  
14 PERSONS REGARDLESS OF WHETHER ANY SUCH PERSONS ARE DEEMED A  
15 PARTNER FOR FEDERAL INCOME TAX PURPOSES. THE OWNER SHALL  
16 CERTIFY TO THE DEPARTMENT THE AMOUNT OF CREDIT ALLOCATED TO  
17 EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER.  
18 EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER  
19 ADMITTED AS A PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED  
20 TAXPAYER OF THE OWNER PRIOR TO THE FILING OF A TAX RETURN  
21 CLAIMING THE CREDIT IS ALLOWED TO CLAIM SUCH AMOUNT SUBJECT TO  
22 ANY RESTRICTIONS SET FORTH IN THIS PART 57.

23 (5) (a) THE AUTHORITY MAY ALLOCATE CREDITS TO A  
24 GOVERNMENTAL OR QUASI-GOVERNMENTAL ENTITY, INCLUDING THE  
25 MIDDLE-INCOME HOUSING AUTHORITY CREATED IN SECTION 29-4-1104,  
26 WITH RESPECT TO A QUALIFIED DEVELOPMENT THAT IS OWNED BY SUCH  
27 ENTITY.

1 (b) (I) A GOVERNMENTAL OR QUASI-GOVERNMENTAL ENTITY MAY  
2 TRANSFER CREDITS THAT THE AUTHORITY HAS ALLOCATED TO IT  
3 PURSUANT TO THIS SUBSECTION (5) TO AN INDIVIDUAL, PERSON, FIRM,  
4 CORPORATION, OR OTHER ENTITY SUBJECT TO THE TAXES IMPOSED BY THIS  
5 ARTICLE 22.

6 (II) A GOVERNMENTAL OR QUASI-GOVERNMENTAL ENTITY THAT  
7 TRANSFERS A CREDIT PURSUANT TO SUBSECTION (5)(b)(I) OF THIS SECTION  
8 SHALL INVEST IN THE RELEVANT QUALIFIED DEVELOPMENT ANY  
9 COMPENSATION RECEIVED IN CONNECTION WITH THE TRANSFER MADE  
10 PURSUANT TO SUBSECTION (5)(b)(I) OF THIS SECTION AND SHALL NOTIFY  
11 THE DEPARTMENT OF THE IDENTITY OF THE TRANSFEREE.

12 (III) A TRANSFEREE TO WHICH A CREDIT IS TRANSFERRED BY A  
13 GOVERNMENTAL OR QUASI-GOVERNMENTAL ENTITY PURSUANT TO THIS  
14 SUBSECTION (5)(b) IS ENTITLED TO CLAIM THE CREDIT IN THE SAME  
15 MANNER AND SUBJECT TO THE SAME CONDITIONS AND ALLOCATION  
16 RIGHTS AS AN OWNER OF A QUALIFIED DEVELOPMENT TO WHICH THE  
17 AUTHORITY HAS ALLOCATED A CREDIT PURSUANT TO SUBSECTION (3) OF  
18 THIS SECTION.

19 (c) (I) CREDITS THAT THE AUTHORITY HAS ALLOCATED TO A  
20 GOVERNMENTAL OR QUASI-GOVERNMENTAL ENTITY PURSUANT TO  
21 SUBSECTION (5)(a) OF THIS SECTION OR A CREDIT THAT A GOVERNMENTAL  
22 OR QUASI-GOVERNMENTAL ENTITY TRANSFERS PURSUANT TO SUBSECTION  
23 (5)(b) OF THIS SECTION ARE SUBJECT TO RECAPTURE PURSUANT TO  
24 SECTION 39-22-5704.

25 (II) IF A CREDIT TRANSFERRED BY A GOVERNMENTAL OR  
26 QUASI-GOVERNMENTAL ENTITY IS RECAPTURED PURSUANT TO SECTION  
27 39-22-5704, THE TRANSFEREE MUST INCREASE THE TRANSFEREE'S STATE

1 INCOME TAX LIABILITY PURSUANT TO SECTION 39-22-5704 IN THE MANNER  
2 AND TO THE SAME EXTENT AS A PARTNER, SHAREHOLDER, MEMBER, OR  
3 OTHER QUALIFIED TAXPAYER ALLOCATED A CREDIT PURSUANT TO SECTION  
4 39-22-5703 (4).

5 (6) NO CREDIT SHALL BE ALLOCATED PURSUANT TO THIS PART 57  
6 UNLESS THE QUALIFIED DEVELOPMENT IS THE SUBJECT OF A RECORDED  
7 DEED RESTRICTION REQUIRING THE DEVELOPMENT TO BE MAINTAINED AND  
8 OPERATED AS A QUALIFIED DEVELOPMENT, AND IS IN ACCORDANCE WITH  
9 THE ACCESSIBILITY AND ADAPTABILITY REQUIREMENTS OF THE FEDERAL  
10 TAX CREDITS AND TITLE VIII OF THE "CIVIL RIGHTS ACT OF 1968", AS  
11 AMENDED BY THE "FAIR HOUSING AMENDMENTS ACT OF 1988", 42 U.S.C.  
12 SEC. 3601 ET SEQ., FOR A PERIOD OF FIFTEEN INCOME TAX YEARS, OR A  
13 LONGER PERIOD AS MAY BE AGREED TO BETWEEN THE AUTHORITY AND  
14 THE OWNER, BEGINNING WITH THE FIRST INCOME TAX YEAR OF THE CREDIT  
15 PERIOD UNLESS CORRECTED WITHIN THE TIME THAT IS APPLICABLE TO  
16 DEVELOPMENTS RECEIVING FEDERAL TAX CREDITS PURSUANT TO SECTION  
17 42(h)(6)(J) OF THE INTERNAL REVENUE CODE AS APPLICABLE TO THE  
18 COVENANT DESCRIBED IN THIS SUBSECTION (6).

19 (7) THE ALLOCATED CREDIT AMOUNT MAY BE TAKEN AGAINST THE  
20 TAXES IMPOSED BY THIS ARTICLE 22 FOR EACH INCOME TAX YEAR OF THE  
21 CREDIT PERIOD AS SET FORTH IN SUBSECTION (2) OF THIS SECTION. ANY  
22 AMOUNT OF CREDIT THAT EXCEEDS THE TAX DUE FOR AN INCOME TAX  
23 YEAR MAY BE CARRIED FORWARD AS A TAX CREDIT AGAINST THE INCOME  
24 TAX LIABILITY FOR THE THREE SUBSEQUENT TAX YEARS AND MUST BE  
25 APPLIED FIRST TO THE EARLIEST YEARS POSSIBLE. ANY AMOUNT OF THE  
26 CREDIT THAT IS NOT USED MUST NOT BE REFUNDED TO THE TAXPAYER.

27 (8) UNLESS OTHERWISE PROVIDED IN THIS PART 57 OR THE

1 CONTEXT CLEARLY REQUIRES OTHERWISE, THE AUTHORITY SHALL  
2 DETERMINE ELIGIBILITY FOR A CREDIT AND ALLOCATE CREDITS IN  
3 ACCORDANCE WITH THE STANDARDS AND REQUIREMENTS SET FORTH IN  
4 THE ALLOCATION PLAN; HOWEVER, THE AUTHORITY SHALL ADMINISTER  
5 THE CREDIT ALLOWED PURSUANT TO THIS PART 57 CONSISTENTLY WITH  
6 THE CREDIT PURSUANT TO PART 21 OF THIS ARTICLE 22 EXCEPT TO THE  
7 EXTENT THE ALLOCATION PLAN IS INCONSISTENT WITH PART 21 OF THIS  
8 ARTICLE 22, IN WHICH CASE THE ALLOCATION PLAN CONTROLS.  
9 NOTWITHSTANDING THE FOREGOING, ANY COMBINATION OF FEDERAL AND  
10 STATE CREDITS, OR STANDALONE AMOUNT OF STATE CREDITS, ALLOWED  
11 MUST BE THE LEAST AMOUNT NECESSARY TO ENSURE THE FINANCIAL  
12 FEASIBILITY OF A QUALIFIED DEVELOPMENT.

13 **39-22-5704. Recapture.**

14 (1) AS OF THE LAST DAY OF ANY INCOME TAX YEAR DURING THE  
15 COMPLIANCE PERIOD, IF THE AMOUNT OF THE QUALIFIED BASIS OF A  
16 QUALIFIED DEVELOPMENT WITH RESPECT TO A TAXPAYER IS LESS THAN  
17 THE AMOUNT OF THE QUALIFIED BASIS AS OF THE LAST DAY OF THE PRIOR  
18 INCOME TAX YEAR, THEN THE AMOUNT OF THE TAXPAYER'S STATE INCOME  
19 TAX LIABILITY FOR THAT TAXABLE YEAR MUST BE INCREASED BY THE  
20 CREDIT RECAPTURE AMOUNT.

21 (2) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, THE  
22 CREDIT RECAPTURE AMOUNT IS AN AMOUNT EQUAL TO THE AGGREGATE  
23 DECREASE IN THE CREDIT ALLOWED TO THE TAXPAYER PURSUANT TO THIS  
24 PART 57 FOR ALL PRIOR INCOME TAX YEARS THAT WOULD HAVE RESULTED  
25 IF THE ACCELERATED PORTION OF THE CREDIT ALLOWABLE BY REASON OF  
26 THIS PART 57 WAS NOT ALLOWED FOR ALL PRIOR INCOME TAX YEARS WITH  
27 RESPECT TO THE REDUCED AMOUNT OF QUALIFIED BASIS DESCRIBED IN

1 SUBSECTION (1) OF THIS SECTION.

2 (3) FOR PURPOSES OF SUBSECTION (2) OF THIS SECTION, THE  
3 ACCELERATED PORTION OF THE CREDIT FOR THE PRIOR INCOME TAX YEARS  
4 WITH RESPECT TO ANY AMOUNT OF QUALIFIED BASIS IS THE DIFFERENCE  
5 BETWEEN:

6 (a) THE AGGREGATE AMOUNT OF THE CREDIT ALLOWED PURSUANT  
7 TO THIS PART 57, NOTWITHSTANDING THIS SUBSECTION (3), FOR THE YEARS  
8 WITH RESPECT TO THE QUALIFIED BASIS; AND

9 (b) THE AGGREGATE AMOUNT OF THE CREDIT THAT WOULD BE  
10 ALLOWED PURSUANT TO THIS PART 57 FOR THE YEARS WITH RESPECT TO  
11 THE QUALIFIED BASIS IF THE AGGREGATE CREDIT THAT WOULD HAVE BEEN  
12 ALLOWABLE, BUT FOR THIS SUBSECTION (3), FOR THE ENTIRE COMPLIANCE  
13 PERIOD WERE ALLOWABLE RATABLY OVER FIFTEEN YEARS.

14 (4) IN THE EVENT THAT RECAPTURE OF ANY CREDIT IS REQUIRED  
15 IN ANY TAX YEAR, THE RETURN SUBMITTED FOR THAT TAX YEAR TO THE  
16 DEPARTMENT SHALL INCLUDE THE PROPORTION OF CREDIT REQUIRED TO  
17 BE RECAPTURED, THE IDENTITY OF EACH TAXPAYER SUBJECT TO THE  
18 RECAPTURE, AND THE AMOUNT OF CREDIT PREVIOUSLY ALLOCATED TO THE  
19 TAXPAYER.

20 (5) NOTWITHSTANDING SUBSECTION (1) OF THIS SECTION, CREDITS  
21 ISSUED PURSUANT TO THIS PART 57 MUST NOT BE RECAPTURED IF A  
22 QUALIFIED DEVELOPMENT, AFTER THE INITIAL AWARD OF CREDITS, CEASES  
23 BEING LOCATED IN A TRANSIT AND HOUSING INVESTMENT ZONE.

24 **39-22-5705. Filing requirements.**

25 AN OWNER OF A QUALIFIED DEVELOPMENT TO WHICH A CREDIT HAS  
26 BEEN ALLOCATED AND EACH QUALIFIED TAXPAYER TO WHICH THE OWNER  
27 HAS ALLOCATED A PORTION OF SAID CREDIT, IF ANY, SHALL FILE WITH

1 THEIR STATE INCOME TAX RETURN A COPY OF THE ALLOCATION  
2 CERTIFICATE ISSUED BY THE AUTHORITY WITH RESPECT TO THE  
3 DEVELOPMENT AND A COPY OF THE OWNER'S CERTIFICATION TO THE  
4 DEPARTMENT AS TO THE ALLOCATION OF THE CREDIT AMONG THE  
5 QUALIFIED TAXPAYERS HAVING OWNERSHIP INTERESTS IN THE  
6 DEVELOPMENT.

7 **39-22-5706. Parallel credits - insurance premium taxes -**  
8 **definition.**

9 (1) ANY TAXPAYER WHO IS SUBJECT TO THE TAX ON INSURANCE  
10 PREMIUMS ESTABLISHED BY SECTIONS 10-3-209, 10-5-111, AND 10-6-128  
11 AND THEREFORE EXEMPT FROM THE PAYMENT OF INCOME TAX AND WHO  
12 IS OTHERWISE ELIGIBLE TO CLAIM A CREDIT PURSUANT TO THIS PART 57  
13 MAY CLAIM THE CREDIT AND CARRY THE CREDIT FORWARD AGAINST THE  
14 INSURANCE PREMIUM TAX ON ITS CALENDAR QUARTER ESTIMATED TAX  
15 PAYMENTS MADE IN ACCORDANCE WITH SECTION 10-3-209 TO THE SAME  
16 EXTENT AS THE TAXPAYER WOULD HAVE BEEN ABLE TO CLAIM OR CARRY  
17 FORWARD THE CREDIT OR REFUND AGAINST INCOME TAX. ALL OTHER  
18 PROVISIONS OF THIS PART 57 WITH RESPECT TO THE CREDIT, INCLUDING  
19 THE AMOUNT, ALLOCATION, AND RECAPTURE OF THE CREDIT AND THE  
20 YEARS FOR WHICH THE CREDIT MAY BE CLAIMED, APPLY TO A CREDIT  
21 CLAIMED PURSUANT TO THIS SECTION.

22 (2) FOR PURPOSES OF ADMINISTERING THIS SECTION, ANY  
23 REFERENCE IN THIS ARTICLE 22 TO "INCOME TAX YEAR" MEANS CALENDAR  
24 YEAR.

25 **39-22-5707. Compliance monitoring.**

26 THE AUTHORITY, IN CONSULTATION WITH THE DEPARTMENT, SHALL  
27 MONITOR AND OVERSEE COMPLIANCE WITH THIS PART 57 AND SHALL

1 REPORT SPECIFIC OCCURRENCES OF NONCOMPLIANCE TO THE  
2 DEPARTMENT.

3 **39-22-5708. Repeal.**

4 THIS PART 57 IS REPEALED, EFFECTIVE DECEMBER 31, 2063.

5 **SECTION 11.** In Colorado Revised Statutes, 39-26-901, **amend**  
6 (4)(b) and (4)(c); and **add** (4)(d) as follows:

7 **39-26-901. Temporary adjustment of rates of state sales and**  
8 **use taxes - refund of excess state revenues - legislative declaration -**  
9 **definition - repeal.**

10 (4) Any temporary state sales and use tax rate reduction pursuant  
11 to subsection (1) of this section does not affect the calculation of the  
12 amount of:

13 (b) The state sales tax increment revenue for regional tourism  
14 zones in accordance with part 3 of article 46 of title 24; ~~or~~

15 (c) The aviation fund created in section 43-10-109; OR

16 (d) THE STATE SALES TAX INCREMENT REVENUE FOR TRANSIT AND  
17 HOUSING INVESTMENT AREAS IN ACCORDANCE WITH PART 4 OF ARTICLE 46  
18 OF TITLE 24.

19 **SECTION 12. Appropriation.** For the 2026-27 state fiscal year,  
20 \$190,849 is appropriated to the office of the governor for use by  
21 economic development programs. This appropriation is from the general  
22 fund and is based on an assumption that the office will require an  
23 additional 1.0 FTE. To implement this act, the office may use this  
24 appropriation for transit and housing investment zones.

25 **SECTION 13. Safety clause.** The general assembly finds,  
26 determines, and declares that this act is necessary for the immediate  
27 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.