



Legislative Council Staff

Research Note

Version: Final

Date: 9/6/2016

Bill Number

Senate Bill 16-210

Sponsors

**Senator Baumgardner
Representative DelGrosso**

Short Title

Fix Colorado Roads Act

Research Analyst

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Status

This research note reflects the reengrossed version of the bill. The bill was postponed indefinitely by the House State, Veterans, & Military Affairs Committee on May 10, 2016.

Summary

This bill would have required the Transportation Commission to submit a ballot question to voters in 2016, 2017, or 2018 for approval of \$3.5 billion in Transportation Revenue Anticipation Notes (TRANS) once existing transportation bonds were repaid. The maximum repayment cost was limited to \$5.5 billion and the repayment period was limited to 20 years. The TRANS proceeds could have been spent on a list of transportation projects described in the bill.

The bill also would have eliminated the final three years of Senate Bill 09-228 transfers and diverted 5 percent of state sales tax revenue to the Highway Users Tax Fund and 1 percent of state sales tax revenue to the Capital Construction Fund.

Background

Transportation Revenue Anticipation Notes. In 1999, Colorado voters authorized the Colorado Department of Transportation (CDOT) to borrow up to \$1.7 billion by selling TRANS with a maximum repayment cost of \$2.3 billion. Debt service on TRANS is paid with money from the federal government and state matching funds. TRANS proceeds were exempt from the TABOR revenue limit and could be used only for a list of 28 prioritized statewide projects. The use of TRANS allowed CDOT to accelerate construction on these projects. CDOT issued a total of \$1.5 billion in installments from 2000 through 2011, with a total repayment cost of \$2.3 billion. The final debt service payment is scheduled to occur in December 2016. TRANS proceeds were spent on a number of state highway projects, including the widening of I-25 in Denver (T-REX).

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Senate Action

Senate Finance Committee (May 5, 2016). Ten individuals representing various local, county, and business interests such as the Northern Colorado Legislative Alliance and the Wyoming Petroleum Marketers Association testified in support of the bill. One individual representing the South West Energy Efficiency Project testified in opposition to the bill. A CDOT representative testified from a neutral position and responded to committee questions. The committee adopted amendments L.004 and L.005, which modified the list of strategic transportation projects that could have been funded by the TRAns issuance. Amendment L.005 also struck the provisions of the bill allowing revenue to be spent on public transportation projects. The committee referred the bill, as amended, to the Senate Appropriations Committee.

Senate Appropriations Committee (May 5, 2016). The committee referred the bill to the Senate Committee of the Whole.

Senate second reading (May 5, 2016). The Senate adopted the Senate Finance Committee report and floor amendment L.020, which further modified the list of strategic transportation projects that could have been funded by the TRAns issuance. The bill passed, as amended, on second reading.

Senate third reading (May 6, 2016). The Senate passed the bill on third reading with no amendments.

House Action

House State, Veterans, & Military Affairs Committee (May 10, 2016). A number of individuals representing various local, county, and business interests such as the Fort Collins Area Chamber of Commerce and the Colorado Motor Carriers Association testified in support of the bill. One individual representing Conservation Colorado testified in opposition to the bill. A CDOT representative testified from a neutral position and responded to committee questions. The committee considered but did not adopt amendments. The committee voted to postpone the bill indefinitely.

Relevant Research

Legislative Council Staff (*Senate Bill 09-228 Issue Brief: Statutory Transfers to Fund Transportation and Capital Construction*), <http://tinyurl.com/hxzq2ly>

Legislative Council Staff (*Transportation Planning and Funding in Colorado Issue Brief*), <http://tinyurl.com/jjhjx8p>