

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

ENGROSSED

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

LLS NO. 18-0416.02 Jason Gelender x4330

SENATE BILL 18-001

SENATE SPONSORSHIP

Baumgardner and Cooke, Coram, Crowder, Gardner, Grantham, Hill, Holbert, Lambert, Lundberg, Marble, Neville T., Scott, Sonnenberg, Tate

HOUSE SPONSORSHIP

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Senate Committees

Transportation
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Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING TRANSPORTATION INFRASTRUCTURE FUNDING.**

Bill Summary

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

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

Section 8 of the bill requires the transportation commission

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

SENATE
Amended 2nd Reading
March 21, 2018

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

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

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

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

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

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

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

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

5 (b) Population growth has significantly increased traffic and
6 congestion and will continue to do so in the future, causing longer travel
7 times, increasing air pollution, decreasing Coloradans' access to
8 recreational opportunities, and accelerating the deterioration of
9 Colorado's transportation infrastructure;

10 (c) The growth of the economy of the state has prompted new and
11 ever-increasing uses of public highways, roads, and other transportation
12 infrastructure, and the existing transportation infrastructure of the state
13 cannot accommodate such greatly increased uses;

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

19 (e) One of the major concerns of the citizens of the state is the
20 ability of the state and local governments to address the long-term
21 transportation infrastructure needs of the state that are critical to the
22 continued growth of the state's economy and the maintenance of citizens'
23 quality of life;

24 (f) The state has significantly decreased its contribution of general
25 state revenues available in recent years to fund critical priority
26 transportation infrastructure needs, and current transportation funding
27 mechanisms do not provide adequate revenue to keep pace with the

1 increasing demands on transportation infrastructure statewide;

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

5 (h) In 1999, the general assembly and the voters of the state
6 approved Referendum A, which authorized the state to issue
7 transportation revenue anticipation notes to accelerate the funding and
8 completion of twenty-eight strategic transportation projects in significant
9 corridors, including the T-REX project, the highly successful expansion
10 and congestion mitigation project for the Interstate 25 corridor in the
11 Denver metropolitan area;

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

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

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

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

26 (k) While the lease-purchase agreements required by Senate Bill
27 17-267 will provide some increased funding for transportation, such

1 agreements leverage state capital assets, rather than state revenue, and, to
2 the extent currently authorized, provide less total funding than
3 transportation revenue anticipation notes can:

4 (l) If the state enters into all of the lease-purchase agreements
5 required by Senate Bill 17-267, the state will be required to spend
6 approximately one hundred fifty million dollars per year, including one
7 hundred million dollars per year from the state general fund and fifty
8 million dollars per year from money under the control of the
9 transportation commission, to repay the lease-purchase agreements:

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

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

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

20 (II) If required statewide voter approval can be obtained either at
21 the November 2018 general election for a citizen-initiated ballot measure
22 that authorizes the state to issue transportation revenue notes or at the
23 November 2019 statewide election for a ballot issue submitted by the
24 state that authorizes the state to issue transportation revenue anticipation
25 notes as specified in this act, use transportation revenue anticipation notes
26 instead of lease-purchase agreements to finance federal aid transportation
27 projects because doing so will generate a larger amount of up-front

1 revenue for the projects and will enable the state to design and construct
2 the projects more efficiently; and

3 (III) Use the money that will no longer be needed to repay
4 lease-purchase agreements, as well as a portion of the additional general
5 fund money that the state may retain and spend under its fiscal year
6 spending limit due to the enactment of Senate Bill 17-267, to repay the
7 transportation revenue anticipation notes and provide additional funding
8 for transportation infrastructure projects and maintenance; and

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

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

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

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

24 (c) If such a citizen-initiated ballot measure is not placed on the
25 ballot for the November 2018 general election or if the voters reject every
26 such ballot measure that is placed on that ballot, it is necessary and
27 appropriate for the state to refer a ballot issue that authorizes the state to

1 issue transportation revenue anticipation notes to the voters of the state
2 at the November 2019 statewide election as specified in this act.

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

5 **24-75-219. Transfers - transportation - capital construction -**
6 **definitions - repeal.** (1) As used in this section, unless the context
7 otherwise requires:

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

10 (5) (a) ON JUNE 30, 2019, THE STATE TREASURER SHALL TRANSFER
11 FIVE HUNDRED MILLION DOLLARS FROM THE GENERAL FUND TO THE STATE
12 HIGHWAY FUND FOR EXPENDITURE IN ACCORDANCE WITH SECTION
13 43-1-220.5.

14 (b) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (5)(b)(II)
15 OF THIS SECTION, ON JUNE 30, 2020, AND ON EACH SUCCEEDING JUNE 30
16 THROUGH JUNE 30, 2039, THE STATE TREASURER SHALL TRANSFER TWO
17 HUNDRED FIFTY MILLION DOLLARS FROM THE GENERAL FUND TO THE
18 STATE HIGHWAY FUND FOR EXPENDITURE IN ACCORDANCE WITH SECTION
19 43-1-220.5.

20 (II) (A) THIS SUBSECTION (5)(b) IS REPEALED, EFFECTIVE JANUARY
21 1, 2020, IF EITHER A BALLOT ISSUE THAT AUTHORIZES THE STATE TO ISSUE
22 TRANSPORTATION REVENUE ANTICIPATION NOTES IS NOT SUBMITTED TO
23 THE REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR
24 REJECTION AT THE NOVEMBER 2019 STATEWIDE ELECTION PURSUANT TO
25 SECTION 43-4-705 (13)(b) OR SUCH A BALLOT ISSUE IS SUBMITTED AND A
26 MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE VOTE
27 "NO/AGAINST".

1 (B) THIS SUBSECTION (5)(b)(II) IS REPEALED, EFFECTIVE JANUARY
2 1, 2020, IF A BALLOT ISSUE THAT AUTHORIZES THE STATE TO ISSUE
3 TRANSPORTATION REVENUE ANTICIPATION NOTES IS SUBMITTED TO THE
4 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
5 AT THE NOVEMBER 2019 STATEWIDE ELECTION PURSUANT TO SECTION
6 43-4-705 (13)(b) AND A MAJORITY OF THE ELECTORS VOTING ON THE
7 BALLOT ISSUE VOTE "YES/FOR".

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

10 **24-82-1303. Lease-purchase agreements for capital**
11 **construction and transportation projects.** (1) ~~On or before December~~
12 ~~31, 2017, the state architect, the director of the office of state planning~~
13 ~~and budgeting or his or her designee, and the state institutions of higher~~
14 ~~education shall identify and prepare a collaborative list of eligible state~~
15 ~~facilities that can be collateralized as part of the lease-purchase~~
16 ~~agreements for capital construction and transportation projects authorized~~
17 ~~in this part 13. The total current replacement value of the identified~~
18 ~~buildings must equal at least two billion dollars.~~

19 (2) (a) ~~Notwithstanding the provisions of sections 24-82-102~~
20 ~~(1)(b) and 24-82-801, and pursuant to section 24-36-121, no sooner than~~
21 ~~July 1, 2018, the state, acting by and through the state treasurer, shall~~
22 ~~execute lease-purchase agreements, each for no more than twenty years~~
23 ~~of annual payments, for the projects described in subsection (4) of this~~
24 ~~section. The state shall execute the lease-purchase agreements **only in**~~
25 ~~accordance with the following schedule:~~ DURING THE 2018-19 STATE
26 FISCAL YEAR IN AN AMOUNT UP TO FIVE HUNDRED MILLION DOLLARS.

27 (f) ~~During the 2018-19 state fiscal year, the state shall execute~~

1 lease-purchase agreements in an amount up to five hundred million
2 dollars;

3 (II) During the 2019-20 state fiscal year, the state shall execute
4 lease-purchase agreements in an amount up to five hundred million
5 dollars;

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

9 (IV) During the 2021-22 fiscal year, the state shall execute
10 lease-purchase agreements in an amount up to five hundred million
11 dollars.

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

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

26 (II) Next, fifty TEN million ONE HUNDRED THOUSAND dollars
27 annually, or any lesser amount that is sufficient to make each full payment

1 due, shall be paid from any legally available money under the control of
2 the transportation commission solely for the purpose of allowing the
3 construction, supervision, and maintenance of state highways to be
4 funded with the proceeds of lease-purchase agreements as specified in
5 subsection (4)(b) of this section and section 43-4-206 (1)(b)(V); and

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

8 **43-1-125. Restriction on tolled and managed lanes - absence of**
9 **feasible alternatives required - definition. (1) AS USED IN THIS**
10 **SECTION, "MANAGED LANE" MEANS A TOLL LANE, A HIGH-OCCUPANCY**
11 **TOLL LANE, OR A HIGH-OCCUPANCY VEHICLE LANE.**

12 **(2) NEITHER THE DEPARTMENT NOR ANY ENTERPRISE OF THE**
13 **DEPARTMENT SHALL CONSTRUCT OR DESIGNATE A MANAGED LANE ON A**
14 **STATE HIGHWAY OR ENTER INTO A PUBLIC-PRIVATE PARTNERSHIP THAT**
15 **INCLUDES THE CONSTRUCTION OR DESIGNATION OF A MANAGED LANE ON**
16 **A STATE HIGHWAY UNLESS:**

17 **(a) THE DEPARTMENT OR ENTERPRISE, TAKING SAFETY**
18 **CONSIDERATIONS INTO ACCOUNT BUT BALANCING ANY SAFETY IMPACTS**
19 **AGAINST THE BENEFITS OF CAPACITY EXPANSION AND CONGESTION RELIEF,**
20 **HAS THOROUGHLY EVALUATED ALTERNATIVE MEANS OF INCREASING THE**
21 **CAPACITY OF AND REDUCING TRAFFIC CONGESTION ON THE STATE**
22 **HIGHWAY INCLUDING:**

23 **(I) NARROWING LANES OR SHOULDERS ON THE EXISTING ROADWAY**
24 **IN ORDER TO INCREASE THE NUMBER OF LANES AVAILABLE;**

25 **(II) CONVERTING ONE OR MORE EXISTING LANES, OR ONE OR MORE**
26 **NEW LANES RESULTING FROM LANE OR SHOULDER NARROWING, INTO**
27 **REVERSIBLE LANES; AND**

1 (III) OPTIMIZING TRAFFIC FLOW THROUGH OTHER
2 CONFIGURATIONAL OR OPERATIONAL CHANGES TO THE STATE HIGHWAY
3 SUCH AS:

4 (A) WEAVING SECTION IMPROVEMENTS;

5 (B) INTERCHANGE MODIFICATION AND, IF APPLICABLE, OTHER
6 ACCESS POINT MODIFICATIONS;

7 (C) ONE OR MORE DEDICATED BUS OR TRUCK LANES; AND

8 (D) IF THE STATE HIGHWAY INCLUDES TRAFFIC SIGNALS,
9 OPTIMIZATION OF TRAFFIC FLOW THROUGH TRAFFIC SIGNAL COORDINATION
10 OR USE OF ADAPTIVE TRAFFIC SIGNALS; AND

11 (b) THE DEPARTMENT OR ENTERPRISE HAS PUBLISHED DETAILED
12 WRITTEN DATA-BASED FINDINGS THAT CLEARLY ESTABLISH THAT WHEN
13 COMPARED TO THE ADDITION OF ONE OR MORE MANAGED LANES, ALL OF
14 THE ALTERNATIVES EVALUATED ARE UNFEASIBLE TO IMPLEMENT OR TOO
15 UNSAFE TO BE IMPLEMENTED OR WOULD NOT PROVIDE ADEQUATE
16 CAPACITY EXPANSION AND CONGESTION RELIEF.

17 **SECTION 6.** In Colorado Revised Statutes, **add 43-1-220.5** as
18 follows:

19 **43-1-220.5. State highway fund - use of money transferred**
20 **from general fund - repayment of transportation revenue**
21 **anticipation notes - repeal.** (1) THE DEPARTMENT OF TRANSPORTATION
22 SHALL EXPEND MONEY TRANSFERRED FROM THE GENERAL FUND TO THE
23 STATE HIGHWAY FUND PURSUANT TO SECTION 24-75-219 (5)(a) ONLY FOR
24 NEW HIGHWAY CONSTRUCTION PROJECTS AS OTHERWISE PROVIDED IN
25 SUBSECTIONS (2) AND (3) OF THIS SECTION, THE DEPARTMENT OF
26 TRANSPORTATION SHALL EXPEND MONEY TRANSFERRED FROM THE
27 GENERAL FUND TO THE STATE HIGHWAY FUND PURSUANT TO SECTION

1 24-75-219 (5)(b) ONLY FOR QUALIFIED FEDERAL AID TRANSPORTATION
2 PROJECTS THAT ARE INCLUDED IN THE STRATEGIC TRANSPORTATION
3 PROJECT INVESTMENT PROGRAM OF THE DEPARTMENT OF
4 TRANSPORTATION AND THAT ARE DESIGNATED FOR TIER 1 FUNDING AS
5 TEN-YEAR DEVELOPMENT PROGRAM PROJECTS ON THE DEPARTMENT'S
6 DEVELOPMENT PROGRAM PROJECT LIST, WITH AT LEAST TWENTY-FIVE
7 PERCENT OF THE GENERAL FUND MONEY BEING USED FOR PROJECTS THAT
8 ARE LOCATED IN COUNTIES WITH POPULATIONS OF FIFTY THOUSAND OR
9 LESS AS OF JULY 2015 AS REPORTED BY THE STATE DEMOGRAPHY OFFICE
10 OF THE DEPARTMENT OF LOCAL AFFAIRS; EXCEPT THAT SUCH GENERAL
11 FUND MONEY MAY ALSO BE EXPENDED FOR MAINTENANCE OF THE STATE
12 HIGHWAY SYSTEM. NO MORE THAN NINETY PERCENT OF THE GENERAL
13 FUND MONEY SHALL BE EXPENDED FOR HIGHWAY PURPOSES OR
14 HIGHWAY-RELATED CAPITAL IMPROVEMENTS, AND AT LEAST TEN PERCENT
15 OF THE GENERAL FUND MONEY SHALL BE EXPENDED FOR TRANSIT
16 PURPOSES OR FOR TRANSIT-RELATED CAPITAL IMPROVEMENTS

17 (2) (a) IF A BALLOT ISSUE INITIATED BY PRIVATE CITIZENS THAT
18 AUTHORIZES THE STATE TO ISSUE TRANSPORTATION REVENUE
19 ANTICIPATION NOTES IS SUBMITTED TO THE REGISTERED ELECTORS OF THE
20 STATE FOR THEIR APPROVAL OR REJECTION AT THE NOVEMBER 2018
21 GENERAL ELECTION AND A MAJORITY OF THE ELECTORS VOTING ON THE
22 BALLOT ISSUE VOTE "YES/FOR", THE DEPARTMENT SHALL EXPEND MONEY
23 TRANSFERRED FROM THE GENERAL FUND TO THE STATE HIGHWAY FUND
24 PURSUANT TO SECTION 24-75-219 (5) FIRST, TO THE EXTENT NEEDED, FOR
25 MAINTENANCE OF THE TRANSPORTATION INFRASTRUCTURE PROJECTS
26 FINANCED BY THE NOTES AND THEREAFTER EXCLUSIVELY FOR
27 MAINTENANCE OF THE STATE HIGHWAY SYSTEM.

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

3 (A) A BALLOT ISSUE INITIATED BY PRIVATE CITIZENS THAT
4 AUTHORIZES THE STATE TO ISSUE TRANSPORTATION REVENUE
5 ANTICIPATION NOTES TO FINANCE THE CONSTRUCTION OF
6 TRANSPORTATION INFRASTRUCTURE PROJECTS IS NOT SUBMITTED TO THE
7 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
8 AT THE NOVEMBER 2018 GENERAL ELECTION; OR

9 (B) SUCH A BALLOT ISSUE IS SUBMITTED AND A MAJORITY OF THE
10 ELECTORS VOTING ON THE BALLOT ISSUE VOTE "NO/AGAINST".

11 (II) THIS SUBSECTION (2)(b) IS REPEALED, EFFECTIVE JANUARY 1,
12 2019, IF A BALLOT ISSUE INITIATED BY PRIVATE CITIZENS THAT
13 AUTHORIZES THE STATE TO ISSUE TRANSPORTATION REVENUE
14 ANTICIPATION NOTES IS SUBMITTED TO THE REGISTERED ELECTORS OF THE
15 STATE FOR THEIR APPROVAL OR REJECTION AT THE NOVEMBER 2018
16 GENERAL ELECTION AND A MAJORITY OF THE ELECTORS VOTING ON THE
17 BALLOT ISSUE VOTE "YES/FOR".

18 (3) (a) IF A BALLOT ISSUE THAT AUTHORIZES THE STATE TO ISSUE
19 TRANSPORTATION REVENUE ANTICIPATION NOTES IS SUBMITTED TO THE
20 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
21 AT THE NOVEMBER 2019 STATEWIDE ELECTION PURSUANT TO SECTION
22 43-4-705 (13)(b) AND A MAJORITY OF THE ELECTORS VOTING ON THE
23 BALLOT ISSUE VOTE "YES/FOR", THE DEPARTMENT SHALL EXPEND MONEY
24 TRANSFERRED FROM THE GENERAL FUND TO THE STATE HIGHWAY FUND
25 PURSUANT TO SECTION 24-75-219 (5) FIRST, TO THE EXTENT NEEDED, TO
26 MAKE THE FULL AMOUNT OF PAYMENTS DUE ON THE NOTES AND
27 THEREAFTER EXCLUSIVELY FOR MAINTENANCE OF THE STATE HIGHWAY

1 SYSTEM.

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

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

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

16 (II) THIS SUBSECTION (3)(b) IS REPEALED, EFFECTIVE JANUARY 1,
17 2020, IF A BALLOT ISSUE THAT AUTHORIZES THE STATE TO ISSUE
18 TRANSPORTATION REVENUE ANTICIPATION NOTES IS SUBMITTED TO THE
19 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
20 AT THE NOVEMBER 2019 STATEWIDE ELECTION PURSUANT TO SECTION
21 43-4-705 (13)(b) AND A MAJORITY OF THE ELECTORS VOTING ON THE
22 BALLOT ISSUE VOTE "YES/FOR".

23 **SECTION 7. In Colorado Revised Statutes, 43-1-1401, amend**
24 **(2) as follows:**

25 **43-1-1401. Legislative declaration. (2) The general assembly**
26 **intends that this part 14 authorize AUTHORIZES the department of**
27 **transportation to enter INTO design-build contracts and to use an adjusted**

1 score design-build selection and procurement process for particular
2 transportation projects regardless of the minimum or maximum cost of
3 such projects, based on the individual needs and merits of such projects,
4 and subject to approval by the transportation commission. The general
5 assembly also intends that the department's use of an adjusted score
6 design-build contract process shall DOES not prohibit use of the low bid
7 process currently used by the department pursuant to part 1 of article 92
8 of title 24 and part 14 of article 30 of title 24. C.R.S. THE GENERAL
9 ASSEMBLY FURTHER INTENDS THAT WHEN DETERMINING WHETHER TO USE
10 THE LOW BID PROCESS OR THE DESIGN-BUILD PROCESS TO CONTRACT FOR
11 A PROJECT, THE DEPARTMENT STRONGLY CONSIDER THE EXTENT TO WHICH
12 USE OF THE DESIGN-BUILD PROCESS IS LIKELY, BY EXCLUDING
13 CONTRACTORS THAT LACK THE CAPABILITY OR SIZE TO DO BOTH THE
14 DESIGN AND CONSTRUCTION WORK FOR THE PROJECT, TO REDUCE
15 COMPETITION IN BIDDING FOR THE CONTRACT, INCREASE THE TOTAL COSTS
16 TO THE STATE OF DESIGNING AND BUILDING THE PROJECT, OR BOTH.

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

20 **43-4-206. State allocation.** (1) Except as otherwise provided in
21 subsections (1)(a)(V), SUBSECTIONS (1)(b)(V), (2), and (3) of this section,
22 after paying the costs of the Colorado state patrol and any other costs of
23 the department, exclusive of highway construction, highway
24 improvements, or highway maintenance, that are appropriated by the
25 general assembly, money in the highway users tax fund shall be paid to
26 the state highway fund and expended for the following purposes:

27 (2) (b) Beginning in 1998, the department of transportation shall

1 report annually to the transportation committee of the senate and the
2 transportation and energy committee of the house of representatives
3 concerning the revenue expended by the department pursuant to
4 subsection (2)(a) of this section and, beginning in 2018 2019, any STATE
5 GENERAL FUND MONEY THAT IS CREDITED TO THE STATE HIGHWAY FUND
6 PURSUANT TO SECTION 24-75-219 (5) AND EXPENDED BY THE
7 DEPARTMENT PURSUANT TO SECTION 43-1-220.5, AND ANY NET proceeds
8 of lease-purchase agreements executed as required by section 24-82-1303
9 (2)(a) that are credited to the state highway fund pursuant to section
10 24-82-1303 (4)(b) and expended by the department pursuant to subsection
11 (1)(b)(V) of this section. The department shall present the report at the
12 joint meeting required under section 43-1-113 (9)(a), and the report shall
13 describe for each fiscal year, if applicable:

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

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

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

24 **43-4-702. Definitions.** As used in this part 7, unless the context
25 otherwise requires:

26 (7) **"Revenue anticipation notes" or "notes"** means revenue
27 anticipation notes authorized by and issued in accordance with this part

1 7.

2 (9) "TRANSPORTATION REVENUE ANTICIPATION NOTES", "REVENUE
3 ANTICIPATION NOTES", OR "NOTES" MEANS REVENUE ANTICIPATION NOTES
4 AUTHORIZED BY AND ISSUED IN ACCORDANCE WITH THIS PART 7.

5 **SECTION 10.** In Colorado Revised Statutes, 43-4-705, amend
6 (13) as follows:

7 **43-4-705. Revenue anticipation notes - repeal.**

8 (13) (a) Notwithstanding any other provision of this part 7 to the
9 contrary, the executive director shall have the authority to issue revenue
10 anticipation notes pursuant to this part 7 only if voters statewide approve
11 the ballot question submitted at the November 1999 statewide election
12 pursuant to section 43-4-703 (1) and only then to the extent allowed under
13 the maximum amounts of debt and repayment cost so approved.

14 (b) (I) SUBJECT TO VOTER APPROVAL OF THE BALLOT ISSUE
15 SUBMITTED AT THE NOVEMBER 2019 GENERAL ELECTION PURSUANT TO
16 SUBSECTION (13)(b)(III) OF THIS SECTION AND THE REPAYMENT FUNDING
17 COMMITMENT REQUIREMENT SPECIFIED IN SUBSECTION (13)(b)(II) OF THIS
18 SECTION, THE EXECUTIVE DIRECTOR SHALL ISSUE ADDITIONAL
19 TRANSPORTATION REVENUE ANTICIPATION NOTES IN A MAXIMUM AMOUNT
20 OF THREE BILLION FIVE HUNDRED MILLION DOLLARS AND WITH A
21 MAXIMUM REPAYMENT COST OF FIVE BILLION DOLLARS. THE MAXIMUM
22 REPAYMENT TERM FOR ANY NOTES ISSUED PURSUANT TO THIS SUBSECTION
23 (13)(b) IS TWENTY YEARS, AND THE CERTIFICATE, TRUST INDENTURE, OR
24 OTHER INSTRUMENT AUTHORIZING THEIR ISSUANCE SHALL PROVIDE THAT
25 THE STATE MAY PAY THE NOTES IN FULL BEFORE THE END OF THE
26 SPECIFIED PAYMENT TERM WITHOUT PENALTY.

27 (II) NOTWITHSTANDING SECTION 43-1-113 (19) AND SUBSECTION

1 (12)(a) OF THIS SECTION, BEFORE ISSUING ANY REVENUE ANTICIPATION
2 NOTES AS AUTHORIZED BY SUBSECTION (13)(b)(I) OF THIS SECTION, THE
3 TRANSPORTATION COMMISSION SHALL ADOPT A RESOLUTION PLEDGING TO
4 ANNUALLY ALLOCATE FROM LEGALLY AVAILABLE MONEY UNDER ITS
5 CONTROL ANY AMOUNT NEEDED FOR PAYMENT OF THE NOTES UNTIL THE
6 NOTES ARE FULLY REPAID.

7 (III) THE SECRETARY OF STATE SHALL SUBMIT TO THE REGISTERED
8 ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION AT THE
9 NOVEMBER 2019 STATEWIDE ELECTION THE FOLLOWING BALLOT ISSUE:
10 "SHALL STATE OF COLORADO DEBT BE INCREASED UP TO \$3,500,000,000,
11 WITH A MAXIMUM REPAYMENT COST OF \$5,000,000,000, THROUGH THE
12 ISSUANCE OF TRANSPORTATION REVENUE ANTICIPATION NOTES FOR THE
13 PURPOSE OF ADDRESSING CRITICAL PRIORITY TRANSPORTATION NEEDS IN
14 THE STATE BY FINANCING TRANSPORTATION PROJECTS, SHALL NOTE
15 PROCEEDS AND INVESTMENT EARNINGS ON NOTE PROCEEDS BE EXCLUDED
16 FROM STATE FISCAL YEAR SPENDING LIMITS, AND SHALL THE AMOUNT OF
17 LEASE-PURCHASE AGREEMENTS REQUIRED BY CURRENT LAW TO BE ISSUED
18 FOR THE PURPOSE OF FINANCING TRANSPORTATION PROJECTS BE
19 REDUCED?"

20 (IV) WITHIN FORTY-FIVE DAYS OF THE EFFECTIVE DATE OF THIS
21 SUBSECTION (13)(b)(IV), THE DEPARTMENT SHALL PROVIDE TO THE
22 DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL THE MOST RECENT
23 AVAILABLE LIST OF QUALIFIED FEDERAL AID TRANSPORTATION PROJECTS,
24 INCLUDING MULTIMODAL CAPITAL PROJECTS, THAT ARE DESIGNATED FOR
25 TIER 1 FUNDING AS TEN-YEAR DEVELOPMENT PROGRAM PROJECTS ON THE
26 DEPARTMENT'S 2019 DEVELOPMENT PROGRAM PROJECT LIST AND THAT
27 THE DEPARTMENT WILL FUND WITH PROCEEDS OF ANY TRANSPORTATION

1 REVENUE ANTICIPATION NOTES ISSUED AS AUTHORIZED BY THIS
2 SUBSECTION (13)(b). IN ORDER TO FULLY INFORM THE VOTERS OF THE
3 STATE CONCERNING THE PROJECTS TO BE FUNDED WITH PROCEEDS OF ANY
4 SUCH ADDITIONAL TRANSPORTATION REVENUE ANTICIPATION NOTES
5 BEFORE THE VOTERS VOTE ON THE BALLOT QUESTION SPECIFIED IN
6 SUBSECTION (13)(b)(III) OF THIS SECTION, THE DIRECTOR OF RESEARCH
7 SHALL PUBLISH THE LIST, INCLUDING ANY SUBSEQUENT UPDATES TO THE
8 LIST MADE BEFORE FINAL APPROVAL BY THE LEGISLATIVE COUNCIL OF THE
9 2018 BALLOT INFORMATION BOOKLET PREPARED PURSUANT TO SECTION
10 1-40-124.5, WHICH UPDATES THE DEPARTMENT SHALL EXPEDITIOUSLY
11 PROVIDE TO THE DIRECTOR OF RESEARCH, IN THE BALLOT INFORMATION
12 BOOKLET.

13 (V) (A) THIS SUBSECTION (13)(b) IS REPEALED, EFFECTIVE
14 JANUARY 1, 2019, IF A BALLOT ISSUE INITIATED BY PRIVATE CITIZENS THAT
15 AUTHORIZES THE STATE TO ISSUE TRANSPORTATION REVENUE
16 ANTICIPATION NOTES IS SUBMITTED TO THE REGISTERED ELECTORS OF THE
17 STATE FOR THEIR APPROVAL OR REJECTION AT THE NOVEMBER 2018
18 GENERAL ELECTION AND A MAJORITY OF THE ELECTORS VOTING ON THE
19 BALLOT ISSUE VOTE "YES/FOR".

20 (B) THIS SUBSECTION (13)(b) IS REPEALED, EFFECTIVE JANUARY
21 1, 2020, IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE IN
22 SUBSECTION (13)(b)(III) OF THIS SECTION VOTE "NO/AGAINST".

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

27 **SECTION 11.** In Colorado Revised Statutes, **amend** 43-4-714 as

1 follows:

2 43-4-714. Priority of strategic transportation project
3 investment program - additional contract award process
4 requirements -use of note proceeds - repeal. (1) If the executive
5 director issues any revenue anticipation notes in accordance with the
6 provisions of this part 7, the proceeds from the sale of such notes that are
7 not otherwise pledged for the payment of such notes shall be used for the
8 qualified federal aid transportation projects included in the strategic
9 transportation project investment program of the department of
10 transportation.

11 (2) (a) IN ADDITION TO THE REQUIREMENT SPECIFIED IN
12 SUBSECTION (1) OF THIS SECTION, NET PROCEEDS FROM THE SALE OF ANY
13 TRANSPORTATION REVENUE ANTICIPATION NOTES THAT THE EXECUTIVE
14 DIRECTOR ISSUES PURSUANT TO SECTION 43-4-705 (13)(b) THAT ARE NOT
15 OTHERWISE PLEDGED FOR THE PAYMENT OF THE NOTES SHALL BE
16 CREDITED TO THE STATE HIGHWAY FUND AND EXPENDED BY THE
17 DEPARTMENT ONLY FOR QUALIFIED FEDERAL AID TRANSPORTATION
18 PROJECTS THAT ARE INCLUDED IN THE STRATEGIC TRANSPORTATION
19 PROJECT INVESTMENT PROGRAM OF THE DEPARTMENT OF
20 TRANSPORTATION AND THAT ARE DESIGNATED FOR TIER 1 FUNDING AS
21 TEN-YEAR DEVELOPMENT PROGRAM PROJECTS ON THE DEPARTMENT'S
22 DEVELOPMENT PROGRAM PROJECT LIST, WITH AT LEAST TWENTY-FIVE
23 PERCENT OF THE NET PROCEEDS OF TRANSPORTATION REVENUE
24 ANTICIPATION NOTES BEING USED FOR PROJECTS THAT ARE LOCATED IN
25 COUNTIES WITH POPULATIONS OF FIFTY THOUSAND OR LESS AS OF JULY
26 2015 AS REPORTED BY THE STATE DEMOGRAPHY OFFICE OF THE
27 DEPARTMENT OF LOCAL AFFAIRS. NO MORE THAN NINETY PERCENT OF THE

1 NET PROCEEDS OF TRANSPORTATION REVENUE ANTICIPATION NOTES SHALL
2 BE EXPENDED FOR HIGHWAY PURPOSES OR HIGHWAY-RELATED CAPITAL
3 IMPROVEMENTS, AND AT LEAST TEN PERCENT OF THE NET PROCEEDS SHALL
4 BE EXPENDED FOR TRANSIT PURPOSES OR FOR TRANSIT-RELATED CAPITAL
5 IMPROVEMENTS, INCLUDING SOUND WALLS ALONG INTERSTATE
6 HIGHWAYS.

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

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

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

21 (II) THIS SUBSECTION (2)(b) IS REPEALED, EFFECTIVE JANUARY 1,
22 2020, IF A BALLOT ISSUE THAT AUTHORIZES THE STATE TO ISSUE
23 TRANSPORTATION REVENUE ANTICIPATION NOTES IS SUBMITTED TO THE
24 REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION
25 AT THE NOVEMBER 2019 STATEWIDE ELECTION PURSUANT TO SECTION
26 43-4-705 (13)(b) AND A MAJORITY OF THE ELECTORS VOTING ON THE
27 BALLOT ISSUE VOTE "YES/FOR".

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

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

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

12 (b) A ballot issue that authorizes the state to issue transportation
13 revenue anticipation notes is submitted to the registered electors of the
14 state for their approval or rejection at the November 2019 statewide
15 election pursuant to section 43-4-705 (13)(b), Colorado Revised Statutes,
16 enacted in section 9 of this act, and a majority of the electors voting on
17 the ballot issue vote "Yes/For", and, in such case, section 4 of this act
18 takes effect on the date of the official declaration of the vote thereon by
19 the governor.

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