Second Regular Session Seventy-third General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 22-0968.02 Jason Gelender x4330

SENATE BILL 22-176

SENATE SPONSORSHIP

Hansen and Rankin,

HOUSE SPONSORSHIP

(None),

Senate Committees Appropriations **House Committees**

A BILL FOR AN ACT

101 CONCERNING FUNDING OF WORK REQUIRED FOR EARLY STAGE FRONT

102 RANGE PASSENGER RAIL CORRIDOR DEVELOPMENT.

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 <u>http://leg.colorado.gov.</u>)

The bill provides funding for early stage work required for front range passenger rail corridor development by:

> • Requiring the state treasurer to transfer \$2,400,000 from the general fund to the southwest chief rail line economic development, rural tourism, and infrastructure repair and maintenance fund (fund) on June 15, 2022. This will cause

the transferred money to be paid to the front range passenger rail district (district) when the unencumbered balance of the fund is paid to the district, as required by current law as technically amended by the bill, before the fund is repealed on July 1, 2022.

- Transferring \$6,500,000 from the general fund to the state highway fund for the purpose of funding specified environmental assessment work required in connection with the development of the Burnham Yard rail property.
- 1 Be it enacted by the General Assembly of the State of Colorado:

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

4 (a) For close to 150 years, the Burnham Yard site was a central 5 agent of economic activity for the Denver metropolitan region, but by the 6 turn of the 21st century, its importance as an economic engine lessened 7 as other modes of freight and individual transportation became the 8 preference;

9 (b) For the first time since statehood, Colorado has an opportunity 10 to reimagine the heavy infrastructure in the area of the Burnham Yard site 11 and to make changes that meet state needs today and into the future;

(c) Due to its central location and proximity to downtown Denver,
the Burnham Yard site currently offers significant potential for both rail
realignment projects and redevelopment;

(d) Any portion of the Burnham Yard site that is not needed for
transportation purposes will be sold and used for economic development
and affordable housing;

(e) The proposed development of Burnham Yard has the potential
to provide two additional tracks to the rail corridor, adding capacity for
the regional transportation district and future front range passenger rail

1 service;

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2 (f) The development will move the railroad tracks away from
3 interstate highway 25, making room for future interstate highway 25
4 projects and highway safety improvements;

(g) The development will also reroute and expand the Burlington
Northern and Santa Fe railway consolidated main line, increasing overall
connectivity into downtown Denver from points south;

8 (h) The department of transportation entered into a 30-year lease 9 for the entire Burnham Yard site and prepaid 5 years of that lease totaling 10 \$15 million with the intent, within 5 years, of identifying which portions 11 of the site are needed for transportation purposes;

(i) Once the department has identified which portions of the site
are needed for transportation projects through the federal "National
Environmental Policy Act of 1969" (NEPA) review process, remaining
portions of the site can be sold to enhance housing and economic
development in the Denver metropolitan area;

(j) The Burnham Yard site provides the critical access to UnionStation needed to make front range passenger rail successful;

(k) Front range passenger rail is a proposed 190-mile rail corridorconnecting the population centers of the front range;

(1) Union Station provides the best access to the urban core of
Denver, and access to Union Station from points south is highly
constrained due to existing developments;

(m) The development of the Burnham Yard site will enable new
track construction that will decrease travel times and make passenger rail
more effective;

(n) The \$2.4 million investment in the front range passenger rail

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district made by this act provides matching dollars for contributions from
 the federal government;

(o) Additional needs for this funding include further development
of the rail service development plan, operations plan, and front range
passenger rail district financial plan, all of which are necessary next steps
to facilitate the NEPA planning process, define a feasible passenger rail
service, and move the development of front range passenger rail into the
next phase; and

9 (p) The funding for the front range passenger rail district and the 10 additional funding provided in this act for the development of the 11 Burnham Yard site will help Colorado become competitive for potential 12 federal funding for capital improvements and an Amtrak partnership for 13 state-operated passenger rail service.

SECTION 2. In Colorado Revised Statutes, 24-75-219, add
(7)(g) and (7)(h) as follows:

16 24-75-219. Transfers - transportation - capital construction 17 definitions - repeal. (7) In addition to any other transfers required by
 18 this section:

(g) (I) ON JUNE 15, 2022, THE STATE TREASURER SHALL TRANSFER
TWO MILLION FOUR HUNDRED THOUSAND DOLLARS FROM THE GENERAL
FUND TO THE SOUTHWEST CHIEF RAIL LINE ECONOMIC DEVELOPMENT,
RURAL TOURISM, AND INFRASTRUCTURE REPAIR AND MAINTENANCE FUND
CREATED IN SECTION 43-4-1002.

(II) THIS SUBSECTION (7)(g) IS REPEALED, EFFECTIVE JULY 1, 2022.
(h) (I) ON JULY 1, 2022, THE STATE TREASURER SHALL TRANSFER
SIX MILLION FIVE HUNDRED THOUSAND DOLLARS FROM THE GENERAL
FUND TO THE STATE HIGHWAY FUND. THE DEPARTMENT OF

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TRANSPORTATION SHALL EXPEND THIS AMOUNT IN CONNECTION WITH THE
 DEVELOPMENT OF THE BURNHAM YARD RAIL PROPERTY FOR THE
 PURPOSES OF COMPLETING AN ENVIRONMENTAL ASSESSMENT ON
 RELOCATING THE CONSOLIDATED MAIN RAIL LINE AWAY FROM INTERSTATE
 HIGHWAY 25.

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(II) This subsection (7)(h) is repealed, effective July 1,2023.

7 SECTION 3. In Colorado Revised Statutes, 32-22-104, amend
8 (2)(a) as follows:

9 32-22-104. Board of directors - appointment - meetings -10 **compensation - conflicts of interest.** (2) (a) The board shall convene for 11 its first meeting no later than May 15, 2022, and shall, at that meeting, 12 select a chairperson and vice-chairperson from among its membership. 13 The board shall also determine how to instruct the state treasurer to 14 complete the transfer, on July 1, 2022, of any remaining balance of the 15 southwest chief rail line economic development, rural tourism, and 16 infrastructure repair and maintenance fund, as that fund existed before the 17 repeal of section 43-4-1002 by Senate Bill 21-238, enacted in 2021, to the 18 district as required by section 43-4-1004 (1).

SECTION 4. In Colorado Revised Statutes, 43-4-1004, amend
(1) as follows:

43-4-1004. Repeal of part - transfer of fund balance to front
range passenger rail district. (1) On July 1, 2022 JUNE 30, 2022, the
state treasurer shall transfer any unencumbered balance of the fund to the
front range passenger rail district as instructed by the board of directors
of the district, or a designee of the board pursuant to section 32-22-104
(2)(a): ISSUE TO THE DISTRICT A WARRANT PAID FROM THE FUND IN AN
AMOUNT EQUAL TO THE UNENCUMBERED BALANCE OF THE FUND.

SECTION 5. Safety clause. The general assembly hereby finds,
 determines, and declares that this act is necessary for the immediate
 preservation of the public peace, health, or safety.