

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

PREAMENDED

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

LLS NO. 22-0910.02 Megan Waples x4348

SENATE BILL 22-180

SENATE SPONSORSHIP

Winter and Hinrichsen,

HOUSE SPONSORSHIP

Gray and Bacon,

Senate Committees

Transportation & Energy
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING PROGRAMS TO REDUCE GROUND LEVEL OZONE THROUGH**
102 **INCREASED USE OF TRANSIT.**

Bill Summary

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

The bill creates the ozone season transit grant program (program) in the Colorado energy office (office). The program provides grants to the regional transportation district (RTD) and transit associations in order to provide free transit services for at least 30 days during ozone season. A transit association receiving a grant may use the money to make grants to eligible transit agencies. The eligible transit agencies may use the money

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.

to provide at least 30 days of new or expanded free transit services during ozone season. The RTD may use grant money to cover up to 80% of the costs of providing free transit for at least 30 days on all services offered by the RTD during ozone season. Eligible transit agencies and the RTD can use the money to cover lost fare box revenues and to pay for other expenses necessary to implement the program, including expenses associated with an increase in ridership as a result of the program. The RTD and a transportation association receiving a grant are required to report to the office on the services offered and estimates of the change in ridership as a result of the program.

The office is required to establish policies governing the program and to report to the house and senate transportation committees by December 31 of each year of the program. The program is repealed, effective July 1, 2024.

The transit and rail division (division) in the department of transportation is required to create a 3-year pilot project to extend state-run transit services throughout the state with the goals of reducing ground level ozone, increasing ridership, and reducing vehicle miles traveled in the state. The division is required to report to the transportation legislation review committee on the pilot project. The pilot project is repealed, effective July 1, 2026.

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) Ground level ozone poses health risks to all Coloradans,
5 especially to vulnerable populations including the elderly, young children,
6 and people with asthma or other respiratory diseases;

7 (b) The negative effects of ozone exposure include pain when
8 breathing deeply, coughing, sore throat, and inflamed or damaged
9 airways;

10 (c) Ozone exposure can also exacerbate existing respiratory
11 conditions including asthma, emphysema, and chronic bronchitis and may
12 be a potential cause of asthma;

13 (d) Ozone is one of the most common ambient air pollutants along

1 the front range of Colorado;

2 (e) Ground level ozone forms when chemical reactions occur
3 between nitrogen emitted from cars and other sources and volatile organic
4 compounds in the presence of sunlight, making levels highest during the
5 summer months;

6 (f) Colorado's ozone season, which runs from June 1 through
7 August 31, poses significant health risks to Colorado's vulnerable
8 residents and can force individuals to restrict their daily activities and stay
9 indoors on days with high ozone levels;

10 (g) Reducing ground traffic and encouraging the use of public
11 transit can help lower ozone-forming emissions and thereby reduce
12 ground level ozone during the ozone season;

13 (h) Reducing ground level ozone serves an important public
14 interest by protecting the health and well being of all Coloradans,
15 especially those who are vulnerable to the negative impacts of ozone
16 exposure;

17 (i) Offering free transit has increased transit use in other
18 communities and can help rebuild ridership following the COVID-19
19 pandemic; and

20 (j) Creating a grant program to provide free public transit during
21 ozone season will promote public health and serve the interests of all
22 Coloradans.

23 **SECTION 2.** In Colorado Revised Statutes, **add** 24-38.5-113 as
24 follows:

25 **24-38.5-113. Ozone season transit grant program - fund -**
26 **creation - policies - report - definitions - repeal.** (1) AS USED IN THIS
27 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1 (a) "ELIGIBLE TRANSIT AGENCY" MEANS AN ENTITY THAT IS:

2 (I) A REGIONAL SERVICE AUTHORITY PROVIDING SURFACE
3 TRANSPORTATION PURSUANT TO PART 1 OF ARTICLE 7 OF TITLE 32, A
4 REGIONAL TRANSPORTATION AUTHORITY CREATED PURSUANT TO PART 6
5 OF ARTICLE 4 OF TITLE 43, OR ANY OTHER POLITICAL SUBDIVISION OF THE
6 STATE, PUBLIC ENTITY, OR NONPROFIT CORPORATION PROVIDING MASS
7 TRANSPORTATION SERVICES TO THE GENERAL PUBLIC OTHER THAN THE
8 REGIONAL TRANSPORTATION DISTRICT; AND

9 (II) ELIGIBLE TO RECEIVE MONEY UNDER A GRANT AUTHORIZED BY
10 49 U.S.C. SEC. 5307 OR 49 U.S.C. SEC. 5311.

11 (b) "FUND" MEANS THE OZONE SEASON TRANSIT GRANT PROGRAM
12 FUND ESTABLISHED IN SUBSECTION (8) OF THIS SECTION.

13 (c) "OFFICE" MEANS THE COLORADO ENERGY OFFICE CREATED IN
14 SECTION 24-38.5-101.

15 (d) "OZONE SEASON" MEANS THE PERIOD FROM JUNE 1 TO AUGUST
16 31 OF A CALENDAR YEAR.

17 (e) "PROGRAM" MEANS THE OZONE SEASON TRANSIT GRANT
18 PROGRAM CREATED IN SUBSECTION (2) OF THIS SECTION.

19 (f) "REGIONAL TRANSPORTATION DISTRICT" MEANS THE REGIONAL
20 TRANSPORTATION DISTRICT ESTABLISHED IN ARTICLE 9 OF TITLE 32.

21 (g) "TRANSIT ASSOCIATION" MEANS A COLORADO NONPROFIT
22 CORPORATION FORMED TO REPRESENT TRANSIT INTERESTS IN COLORADO
23 WHOSE MEMBERSHIP INCLUDES TRANSIT AGENCIES, TRANSIT-RELATED
24 BUSINESSES, AND GOVERNMENTAL ENTITIES.

25 (2) THE OZONE SEASON TRANSIT GRANT PROGRAM IS CREATED IN
26 THE OFFICE. THE PURPOSES OF THE PROGRAM ARE:

27 (a) TO PROVIDE GRANTS TO TRANSIT ASSOCIATIONS FOR THE

1 PURPOSE OF PROVIDING GRANTS TO ELIGIBLE TRANSIT AGENCIES IN ORDER
2 TO OFFER FREE TRANSIT SERVICES FOR A MINIMUM OF THIRTY DAYS
3 DURING OZONE SEASON; AND

4 (b) TO PROVIDE GRANTS TO THE REGIONAL TRANSPORTATION
5 DISTRICT FOR THE PURPOSE OF PROVIDING FREE TRANSPORTATION
6 SERVICES FOR A MINIMUM OF THIRTY DAYS DURING OZONE SEASON.

7 (3) THE OFFICE SHALL ADMINISTER THE PROGRAM AND AWARD
8 GRANTS IN ACCORDANCE WITH THIS SECTION AND THE POLICIES
9 DEVELOPED BY THE OFFICE PURSUANT TO SUBSECTION (6) OF THIS
10 SECTION. SUBJECT TO AVAILABLE APPROPRIATIONS, GRANTS SHALL BE
11 PAID OUT OF THE FUND.

12 (4) TO RECEIVE A GRANT, A TRANSIT ASSOCIATION OR THE
13 REGIONAL TRANSPORTATION DISTRICT MUST SUBMIT AN APPLICATION TO
14 THE OFFICE IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION
15 AND THE POLICIES ESTABLISHED BY THE OFFICE IN ACCORDANCE WITH
16 SUBSECTION (6) OF THIS SECTION. THE OFFICE MAY AWARD GRANTS OF UP
17 TO THREE MILLION DOLLARS EACH YEAR TO A TRANSIT ASSOCIATION AND
18 UP TO ELEVEN MILLION DOLLARS EACH YEAR TO THE REGIONAL
19 TRANSPORTATION DISTRICT.

20 (5) A GRANT RECIPIENT MAY USE THE GRANT MONEY AS FOLLOWS:

21 (a) (I) A TRANSIT ASSOCIATION THAT RECEIVES A GRANT MAY USE
22 THE MONEY TO ESTABLISH A GRANT PROGRAM FOR ELIGIBLE TRANSIT
23 AGENCIES IN ACCORDANCE WITH THIS SECTION. A TRANSIT ASSOCIATION
24 MAY USE A PORTION OF THE GRANT MONEY TO PAY ITS DIRECT AND
25 INDIRECT COSTS IN ADMINISTERING THE GRANT PROGRAM.

26 (II) TO RECEIVE A GRANT FROM THE TRANSIT ASSOCIATION, AN
27 ELIGIBLE TRANSIT AGENCY MUST SUBMIT AN APPLICATION TO THE TRANSIT

1 ASSOCIATION. AT A MINIMUM, THE APPLICATION MUST DESCRIBE THE FREE
2 TRANSIT SERVICES THAT WILL BE PROVIDED OR EXPANDED WITH THE
3 GRANT MONEY, INDICATE TO WHAT EXTENT THE ELIGIBLE TRANSIT
4 AGENCY WILL MATCH THE GRANT MONEY WITH OTHER MONEY, AND
5 COMMIT TO PROVIDING THE NEW OR EXPANDED FREE SERVICES FOR AT
6 LEAST THIRTY DAYS DURING THE OZONE SEASON.

7 (III) AN ELIGIBLE TRANSIT AGENCY THAT RECEIVES A GRANT
8 THROUGH THE TRANSIT ASSOCIATION MAY USE THE MONEY TO COVER THE
9 COSTS ASSOCIATED WITH PROVIDING NEW OR EXPANDED FREE TRANSIT
10 SERVICES WITHIN ITS SERVICE AREA DURING OZONE SEASON, INCLUDING
11 OFFERING ADDITIONAL FREE ROUTES OR EXPANDING SERVICE ON ROUTES
12 FOR WHICH THE ELIGIBLE TRANSIT AGENCY CURRENTLY OFFERS FREE
13 SERVICE. GRANT MONEY MAY BE USED TO REPLACE FARE BOX REVENUE
14 AND TO PAY FOR OTHER EXPENSES NECESSARY TO IMPLEMENT THE
15 PROGRAM, INCLUDING EXPENSES ASSOCIATED WITH AN INCREASE IN
16 RIDERSHIP AS A RESULT OF THE PROGRAM.

17 (IV) AN ELIGIBLE TRANSIT AGENCY SHALL NOT USE GRANT MONEY
18 TO OFFSET OR REPLACE FUNDING FOR FREE TRANSIT SERVICES THAT THE
19 ELIGIBLE TRANSIT AGENCY OFFERED AS OF JANUARY 1, 2022.

20 (V) IN AWARDING GRANTS UNDER THIS SUBSECTION (5)(a), THE
21 TRANSIT ASSOCIATION SHALL:

22 (A) ALLOCATE MONEY AMONG APPLICANTS WITH THE GOALS OF
23 REDUCING OZONE FORMATION, INCREASING RIDERSHIP ON TRANSIT, AND
24 REDUCING VEHICLE MILES TRAVELED IN THE STATE; AND

25 (B) CONSIDER THE EXTENT TO WHICH THE APPLICANT WILL MATCH
26 GRANT MONEY WITH OTHER MONEY.

27 (VI) EACH ELIGIBLE TRANSIT AGENCY THAT RECEIVES A GRANT

1 SHALL REPORT ON THE USE OF THE MONEY TO THE TRANSIT ASSOCIATION
2 IN ACCORDANCE WITH POLICIES ESTABLISHED BY THE TRANSIT
3 ASSOCIATION AND THE OFFICE. THE REPORT MUST INCLUDE, AT A
4 MINIMUM, INFORMATION ON HOW THE GRANT MONEY WAS SPENT; THE
5 FREE SERVICES THAT WERE OFFERED USING THE GRANT MONEY; AND
6 ESTIMATES OF THE CHANGE IN RIDERSHIP DURING THE PERIOD THAT FREE
7 SERVICES WERE OFFERED COMPARED TO PREVIOUS MONTHS, THE SAME
8 MONTH IN PREVIOUS YEARS, AND THE MONTHS AFTER THE PROGRAM
9 CONCLUDED. THE REPORT MAY INCLUDE ADDITIONAL INFORMATION,
10 INCLUDING A NARRATIVE ANALYSIS, TO PROVIDE CONTEXT ON THE
11 RIDERSHIP DATA INCLUDED IN THE REPORT. ON OR BEFORE DECEMBER 1
12 OF EACH YEAR OF THE GRANT PROGRAM, THE TRANSIT ASSOCIATION SHALL
13 SUBMIT A REPORT TO THE OFFICE COMPILING AND SUMMARIZING THE
14 REPORTED INFORMATION FOR ALL ELIGIBLE TRANSIT AGENCIES THAT
15 RECEIVED A GRANT THROUGH THE TRANSIT ASSOCIATION.

16 (VII) A TRANSIT ASSOCIATION RECEIVING A GRANT SHALL
17 DEVELOP AND PUBLICIZE POLICIES FOR THE GRANT, INCLUDING THE
18 PROCESS AND DEADLINES FOR AN ELIGIBLE TRANSIT AGENCY TO APPLY FOR
19 AND RECEIVE A GRANT, THE INFORMATION AND DOCUMENTATION
20 REQUIRED FOR THE APPLICATION, REPORTING REQUIREMENTS AND
21 DEADLINES, AND ANY ADDITIONAL REQUIREMENTS NECESSARY TO
22 ADMINISTER THE GRANT.

23 (b) (I) THE REGIONAL TRANSPORTATION DISTRICT MAY USE GRANT
24 MONEY TO COVER UP TO EIGHTY PERCENT OF THE COSTS OF PROVIDING AT
25 LEAST THIRTY DAYS OF FREE TRANSIT ON ALL SERVICES OFFERED BY THE
26 REGIONAL TRANSPORTATION DISTRICT. GRANT MONEY MAY BE USED TO
27 REPLACE FARE BOX REVENUE AND TO PAY FOR OTHER EXPENSES

1 NECESSARY TO IMPLEMENT THE PROGRAM, INCLUDING EXPENSES
2 ASSOCIATED WITH AN INCREASE IN RIDERSHIP AS A RESULT OF THE
3 PROGRAM.

4 (II) ON OR BEFORE DECEMBER 1 OF EACH YEAR FOR WHICH THE
5 REGIONAL TRANSPORTATION DISTRICT RECEIVES A GRANT, THE REGIONAL
6 TRANSPORTATION DISTRICT SHALL SUBMIT A REPORT TO THE OFFICE ON
7 THE IMPLEMENTATION OF THE PROGRAM IN ACCORDANCE WITH THE
8 POLICIES ESTABLISHED BY THE OFFICE. AT A MINIMUM, THE REPORT MUST
9 INCLUDE INFORMATION ON HOW THE GRANT MONEY WAS SPENT; THE FREE
10 SERVICES THAT WERE OFFERED USING THE GRANT MONEY; AND ESTIMATES
11 OF THE CHANGE IN RIDERSHIP DURING THE PERIOD THAT FREE SERVICES
12 WERE OFFERED COMPARED TO PREVIOUS MONTHS, THE SAME MONTH IN
13 PREVIOUS YEARS, AND THE MONTHS AFTER THE PROGRAM CONCLUDED.
14 THE REPORT MAY INCLUDE ADDITIONAL INFORMATION, INCLUDING A
15 NARRATIVE ANALYSIS, TO PROVIDE CONTEXT ON THE RIDERSHIP DATA
16 INCLUDED IN THE REPORT.

17 (III) THE STATE AUDITOR SHALL AUDIT THE REGIONAL
18 TRANSPORTATION DISTRICT'S USE OF THE GRANT MONEY AS PART OF ITS
19 NEXT PERFORMANCE AUDIT OF THE REGIONAL TRANSPORTATION DISTRICT
20 CONDUCTED PURSUANT TO SECTION 32-9-115 (3).

21 (6) THE OFFICE SHALL ESTABLISH AND PUBLICIZE POLICIES FOR THE
22 PROGRAM. AT A MINIMUM, THE POLICIES MUST ADDRESS THE PROCESS AND
23 ANY DEADLINES FOR APPLYING FOR AND RECEIVING A GRANT UNDER THE
24 PROGRAM, THE INFORMATION AND DOCUMENTATION REQUIRED FOR THE
25 APPLICATION, REPORTING REQUIREMENTS AND DEADLINES, AND ANY
26 ADDITIONAL POLICIES NECESSARY TO ADMINISTER THE PROGRAM.

27 (7) THE OFFICE MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS,

1 OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF
2 THIS SECTION. THE OFFICE SHALL TRANSMIT ALL MONEY RECEIVED
3 THROUGH GIFTS, GRANTS, OR DONATIONS TO THE STATE TREASURER, WHO
4 SHALL CREDIT THE MONEY TO THE FUND.

5 (8) (a) THE OZONE SEASON TRANSIT GRANT PROGRAM FUND IS
6 HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF
7 MONEY TRANSFERRED TO THE FUND IN ACCORDANCE WITH SUBSECTION
8 (8)(d) OF THIS SECTION, ANY OTHER MONEY THAT THE GENERAL ASSEMBLY
9 APPROPRIATES OR TRANSFERS TO THE FUND, AND ANY GIFTS, GRANTS, OR
10 DONATIONS CREDITED TO THE FUND PURSUANT TO SUBSECTION (7) OF THIS
11 SECTION.

12 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
13 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
14 FUND TO THE FUND.

15 (c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE
16 OFFICE FOR THE PURPOSES SPECIFIED IN THIS SECTION.

17 (d) THREE DAYS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
18 (8)(d), THE STATE TREASURER SHALL TRANSFER TWENTY-EIGHT MILLION
19 DOLLARS FROM THE GENERAL FUND TO THE FUND.

20 (9) ON OR BEFORE DECEMBER 31 OF EACH YEAR OF THE PROGRAM,
21 THE OFFICE SHALL SUBMIT A REPORT ON THE IMPLEMENTATION OF THE
22 PROGRAM TO THE HOUSE OF REPRESENTATIVES TRANSPORTATION AND
23 LOCAL GOVERNMENT COMMITTEE AND THE SENATE TRANSPORTATION AND
24 ENERGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES. THE REPORT
25 MUST SUMMARIZE AND COMPILE THE INFORMATION SUBMITTED TO THE
26 OFFICE PURSUANT TO SUBSECTIONS (5)(a)(VI) AND (5)(b) OF THIS SECTION.

27 (10) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2024.

1 **SECTION 3.** In Colorado Revised Statutes, 43-1-117.5, **add** (4)
2 as follows:

3 **43-1-117.5. Transit and rail division - created - powers and**
4 **duties - pilot project to expand transit - repeal.** (4) (a) THE TRANSIT
5 AND RAIL DIVISION SHALL ESTABLISH A PILOT PROJECT, BEGINNING NO
6 LATER THAN JULY 1, 2022, AND CONCLUDING ON JUNE 30, 2025, FOR THE
7 EXTENSION OF STATE-RUN TRANSIT SYSTEMS. THE GOALS OF THE PILOT
8 PROJECT ARE TO INCREASE RIDERSHIP ON STATE-RUN TRANSIT, REDUCE
9 VEHICLE MILES TRAVELED IN THE STATE, AND REDUCE GROUND LEVEL
10 OZONE IN THE STATE.

11 (b) ON OR BEFORE DECEMBER 1, 2023, AND ON OR BEFORE
12 DECEMBER 1 OF EACH YEAR THROUGH 2025, THE TRANSIT AND RAIL
13 DIVISION SHALL REPORT TO THE TRANSPORTATION LEGISLATION REVIEW
14 COMMITTEE CREATED IN SECTION 43-2-145 ON THE IMPLEMENTATION OF
15 THE PILOT PROJECT, INCLUDING INFORMATION ON THE SERVICES THAT ARE
16 EXPANDED OR EXTENDED AND ESTIMATES OF THE INCREASED RIDERSHIP
17 AS A RESULT OF THE PILOT PROJECT.

18 (c) THREE DAYS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
19 (4), THE STATE TREASURER SHALL TRANSFER THIRTY MILLION DOLLARS
20 FROM THE GENERAL FUND TO THE STATE HIGHWAY FUND CREATED IN
21 SECTION 43-1-219 FOR USE BY THE TRANSIT AND RAIL DIVISION FOR THE
22 PURPOSES SPECIFIED IN THIS SUBSECTION (4).

23 (d) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE JULY 1, 2026.

24 **SECTION 4. Safety clause.** The general assembly hereby finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, or safety.