First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 25-0751.01 Jennifer Berman x3286

SENATE BILL 25-139

SENATE SPONSORSHIP

Baisley, Bright, Carson, Catlin, Frizell, Kirkmeyer, Liston, Lundeen, Pelton B., Pelton R., Rich, Simpson

HOUSE SPONSORSHIP

(None),

Senate Committees State, Veterans, & Military Affairs

House Committees

	A BILL FOR AN ACT
101	CONCERNING MEASURES TO REDUCE HOUSEHOLD COSTS IN THE STATE,
102	AND, IN CONNECTION THEREWITH, AUTHORIZING THE USE OF
103	NUCLEAR ENERGY AS A CLEAN ENERGY RESOURCE AND
104	REPEALING CERTAIN CHARGES ASSOCIATED WITH GROCERIES
105	OR UTILITIES.

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.)

Sections 1 through 3 of the bill include nuclear energy in the definitions of "clean energy" and "clean energy resource".

Sections 4 and 5 repeal the Colorado circular communities enterprise and user fees created in House Bill 24-1449, enacted in 2024, to replace the front range waste diversion enterprise and user fees created in Senate Bill 19-192, enacted in 2019.

Section 6 repeals the 10-cent paper carryout bag fee created in House Bill 21-1162, enacted in 2021.

Section 7 repeals the confinement standards for egg-laying hens whose eggs are sold in Colorado, which standards were created in House Bill 20-1343, enacted in 2020.

Section 8 repeals the authorization for counties and municipalities to collect special sales taxes on nicotine products, which authorization was created in House Bill 19-1033, enacted in 2019.

Section 9 repeals the energy assistance system benefit charge created in House Bill 21-1105, enacted in 2021.

Section 10 repeals the retail delivery fee created in Senate Bill 21-260, enacted in 2021.

Sections 11 through 45 make conforming amendments.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. Legislative declaration. (1) The general assembly
3	finds and declares that:
4	(a) Coloradans care about clean energy; to that end, nuclear
5	energy:
6	(I) Is currently the single largest source of carbon-free electricity
7	generation in the United States, generating about 50% of the country's
8	carbon-free electricity;
9	(II) Does not produce carbon dioxide, thus offsetting carbon
10	emissions; and
11	(III) Should, therefore, be included in the statutory definitions of
12	"clean energy" and "clean energy resource";
13	(b) By defining nuclear energy as clean energy and as a clean
14	energy resource, Colorado can continue to spearhead energy innovations
15	that align with the state's goals of keeping energy affordable;
16	(c) Nuclear power plants in the United States have an average

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capacity factor that is greater than 90%. Capacity factor is the percentage of time that an electricity-generating source is able to generate electricity at full design capacity.

- (d) Because nuclear energy has a capacity factor that is 2 to 3 times higher than wind energy and 4 to 5 times higher than solar energy, it can provide clean, reliable baseload electricity to the electric grid. Further, it can integrate well with weather-dependent and seasonally variable wind and solar generation, mitigating the potential for brownouts and blackouts in Colorado.
- (e) Nuclear energy can be utilized in conjunction with existing clean energy sources to lower energy costs for Coloradans and maintain a reliable source of electricity and a stable electric grid;
- (f) Colorado cannot rely on wind and solar renewable energy alone to provide the clean, dispatchable, and reliable power required to decarbonize the environment, fuel local economies, and provide high-quality and high-paying jobs to Colorado communities;
- (g) Adding nuclear energy to the definitions of "clean energy" and "clean energy resource" will align Colorado's clean energy efforts with federal efforts, help put nuclear energy on an equal footing with other clean energy sources, and attract continued public and private funding for innovations in clean energy technology in Colorado;
- (h) The recognition of nuclear energy as a clean energy resource at the federal level has led to increased federal funding through the United States department of energy, as well as private funding throughout the western world. This funding supports nuclear reactor design research and innovation that help address energy and climate challenges.
 - (i) Increased nuclear research, innovation, and implementation can

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1	provide high-quality and high-paying jobs in Colorado's local economies,
2	as well as a much needed tax base for Colorado communities;
3	(j) Switching to nuclear power can save consumers money
4	because nuclear power is significantly more cost-effective than using
5	conventional energy sources, such as coal;
6	(k) In the United States, generating electricity with coal costs
7	between \$75.10 and \$96.30 per megawatt-hour (MWh), while generating
8	electricity with nuclear power costs only \$43.90 per MWh. These lower
9	production costs translate to reduced energy prices, ensuring long-term
10	savings for consumers.
11	(l) Therefore, to bring clean, reliable, cost-effective, and flexible
12	generation resources to Colorado and help the state meet its clean energy
13	goals, it is in the best interest of Colorado and its residents to add nuclear
14	energy to the statutory definitions of "clean energy" and "clean energy
15	resource".
16	SECTION 2. In Colorado Revised Statutes, 30-20-1202, amend
17	(2) as follows:
18	30-20-1202. Definitions. As used in this part 12, unless the
19	context otherwise requires:
20	(2) "Clean energy" means energy derived from biomass, as
21	defined in section 40-2-124 (1)(a)(I); C.R.S., geothermal energy; solar
22	energy; small hydroelectricity; NUCLEAR ENERGY; and wind energy, as
23	well as any hydrogen derived from any of the foregoing ENERGY SOURCES
24	LISTED IN THIS SUBSECTION (2).
25	SECTION 3. In Colorado Revised Statutes, 40-2-125.5, amend
26	(2)(b) as follows:
27	40-2-125.5. Carbon dioxide emission reductions - goal to

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1 eliminate by 2050 - legislative declaration - interim targets -2 submission and approval of plans - definitions - cost recovery -3 reports - rules. (2) Definitions. As used in this section, unless the 4 context otherwise requires: 5 (b) (I) "Clean energy resource" means any electricity-generating 6 technology that generates or stores electricity without emitting carbon 7 dioxide into the atmosphere. 8 (II) Clean energy resources include, without limitation, "CLEAN 9 ENERGY RESOURCE" INCLUDES: 10 (A) Eligible energy resources as defined in section 40-2-124 11 (1)(a); AND 12 (B) NUCLEAR ENERGY. 13 **SECTION 4.** In Colorado Revised Statutes, repeal 25-16-104.5 14 (3.9).15 **SECTION 5.** In Colorado Revised Statutes, **repeal** 25-16.5-109. 16 **SECTION 6.** In Colorado Revised Statutes, repeal 25-17-505. 17 **SECTION 7.** In Colorado Revised Statutes, **repeal** part 2 of 18 article 21 of title 35. 19 **SECTION 8.** In Colorado Revised Statutes, repeal 39-28-112. 20 **SECTION 9.** In Colorado Revised Statutes, **repeal** 40-8.7-105.5. 21 **SECTION 10.** In Colorado Revised Statutes, repeal 43-4-218. 22 **SECTION 11.** In Colorado Revised Statutes, 24-38.5-301, 23 amend (1) introductory portion, (2)(a), (2)(c) introductory portion, 24 (2)(c)(I), and (2)(c)(V); and **repeal** (1)(a), (1)(b), (1)(c), (1)(d), (2)(d), 25 (2)(e), and (2)(f) as follows: 26 **24-38.5-301.** Legislative declaration. (1) The general assembly 27 hereby finds and declares that:

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(a) Retail deliveries are increasing and are expected to continue to increase in urban and rural communities:

- (b) The motor vehicles used to make retail deliveries are some of the most polluting vehicles on the road, which has resulted in additional and increasing air and greenhouse gas pollution at the local community level from idling delivery vehicles in neighborhoods;
- (c) The adverse environmental and health impacts of increased local emissions from motor vehicles used to make retail deliveries can be mitigated and offset by investing in the charging and fueling infrastructure needed to support widespread public adoption of electric motor vehicles and zero emission vehicles and by replacing the state's dirtiest passenger vehicles with zero emission vehicles;
- (d) Instead of reducing the impacts of retail deliveries by limiting retail delivery activity through regulation, it is more appropriate to continue to allow persons who receive retail deliveries to benefit from the convenience afforded by unfettered retail deliveries and instead impose a small fee on each retail delivery and use fee revenue to fund necessary mitigation activities;
 - (2) The general assembly further finds and declares that:
- (a) To incentivize, support, and accelerate the construction of electric motor vehicle charging and fueling infrastructure in communities throughout the state; incentivize, support, and accelerate the adoption of electric motor vehicles by businesses, including transportation network companies, governmental entities, and individuals; and thereby increase access to electric motor vehicles, minimize and mitigate the environmental and health impacts caused by transportation-related emissions of air pollutants and greenhouse gases, and allow the state and

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its citizens to reap the environmental, health, business and governmental operational efficiency, and personal motor vehicle total ownership cost savings benefits of widespread adoption of electric motor vehicles, it is necessary, appropriate, and in the best interest of the state to create a community access enterprise that can provide specialized business services, including impact remediation services, that help communities, businesses, and governmental entities construct the electric motor vehicle charging and fueling infrastructure needed to support widespread adoption of electric motor vehicles, including light-duty, medium-duty, and heavy-duty motor vehicles and motor vehicles used to make retail deliveries, and thereby assuage range anxiety concerns, supply chain disruption concerns, and any other concerns that currently disincentivize the widespread adoption of electric motor vehicles;

- (c) The enterprise provides impact remediation services when in exchange for the payment of community access retail delivery fees by or on behalf of purchasers of tangible personal property for retail delivery, it acts to mitigate the impacts of residential and commercial deliveries on the state's transportation infrastructure, air quality, and emissions by:
- (I) Funding the construction of electric motor vehicle charging infrastructure that supports the use of clean and quiet electric motor vehicles; including motor vehicles used to make retail deliveries;
- (V) Providing additional remediation services to offset impacts caused by fee payers as may be provided by law;
- (d) By providing remediation services as authorized by this section, the enterprise provides a benefit to fee payers when it remediates the impacts they cause and therefore operates as a business in accordance with the determination of the Colorado supreme court in *Colorado Union*

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- (e) Consistent with the determination of the Colorado supreme court in *Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859 (Colo. 1995), that the power to impose taxes is inconsistent with enterprise status under section 20 of article X of the state constitution, it is the conclusion of the general assembly that the revenue collected by the enterprise is generated by fees, not taxes, because the community access retail delivery fee imposed by the enterprise as authorized by section 24-38.5-303 (7) is:
- (I) Imposed for the specific purpose of allowing the enterprise to defray the costs of providing the remediation services specified in this section, including mitigating impacts to air quality and greenhouse gas emissions caused by the activities on which the fee is assessed, and contributes to the implementation of the comprehensive regulatory scheme required for the planning, funding, development, construction, maintenance, and supervision of a sustainable transportation system; and
- (II) Collected at rates that are reasonably calculated based on the impacts caused by fee payers and the cost of remediating those impacts; and
- (f) So long as the enterprise qualifies as an enterprise for purposes of section 20 of article X of the state constitution, the revenue from the community access retail delivery fee collected by the enterprise is not state fiscal year spending, as defined in section 24-77-102 (17), or state revenues, as defined in section 24-77-103.6 (6)(c), and does not count against either the state fiscal year spending limit imposed by section 20 of article X of the state constitution or the excess state revenues cap, as defined in section 24-77-103.6 (6)(b)(I)(D).

SECTION 12. In Colorado Revised Statutes, 24-38.5-302, repeal

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1 (11), (17), and (18) as follows: 2 24-38.5-302. Definitions. As used in this part 3, unless the 3 context otherwise requires: 4 (11) "Inflation" means the average annual percentage change in 5 the United States department of labor, bureau of labor statistics, consumer 6 price index for Denver-Aurora-Lakewood for all items and all urban 7 consumers, or its applicable predecessor or successor index, for the five 8 years ending on the last December 31 before the state fiscal year for 9 which an inflation adjustment to be made to the community access retail 10 delivery fee imposed pursuant to section 24-38.5-303 (7) begins. (17) "Retail delivery" has the same meaning as set forth in section 11 43-4-218 (2)(e). 12 13 (18) "Retailer" has the same meaning as set forth in section 14 39-26-102 (8). 15 **SECTION 13.** In Colorado Revised Statutes, 24-38.5-303, 16 **amend** (5)(a) and (6)(f); and **repeal** (3)(a), (6)(g), and (7) as follows: 17 24-38.5-303. Community access enterprise - creation - board 18 - powers and duties - fund - transparency and reporting. (3) The 19 business purpose of the enterprise is to support the widespread adoption 20 of electric motor vehicles, including motor vehicles that originally were 21 powered exclusively by internal combustion engines but have been 22 converted into electric motor vehicles, in an equitable manner by directly 23 investing in transportation infrastructure, making grants or providing 24 rebates or other financing options to fund the construction of electric 25 motor vehicle charging infrastructure throughout the state, and 26 incentivizing the acquisition and use of electric motor vehicles and 27 electric alternatives to motor vehicles in communities, including but not

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limited to disproportionately impacted communities, and by owners of older, less fuel efficient, and higher polluting vehicles. To allow the enterprise to accomplish this business purpose and fully exercise its powers and duties through the board, the enterprise may:

- (a) Impose a community access retail delivery fee as authorized by subsection (7) of this section;
- (5) (a) The community access enterprise fund is hereby created in the state treasury. The fund consists of community access retail delivery fee revenue credited to the fund pursuant to subsection (7) of this section, any monetary gifts, grants, donations, or other payments received by the enterprise, any federal money that may be credited to the fund, and any other money that the general assembly may appropriate or transfer to the fund. The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund. Money in the fund is continuously appropriated to the enterprise and may be expended to provide grants and rebates, pay its reasonable and necessary operating expenses, including the repayment of any loan received pursuant to subsection (5)(b) of this section, and otherwise exercise its powers and perform its duties as authorized by this part 3.
- (6) In addition to any other powers and duties specified in this section, the board has the following general powers and duties:
- (f) To publish grant and similar program processes by which the enterprise accepts applications, the criteria used for evaluating applications, and a list of grantees pursuant to subsection (8) of this section; AND
- (g) To promulgate rules for the sole purpose of setting the amount of the community access retail delivery fee at or below the maximum

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amount authorized in this section; and

(7) (a) In furtherance of its business purpose, beginning in state fiscal year 2022-23, the enterprise shall impose, and the department of revenue shall collect on behalf of the enterprise, a community access retail delivery fee on each retail delivery. Each retailer who makes a retail delivery shall either collect and remit or elect to pay the community access retail delivery fee in the manner prescribed by the department in accordance with section 43-4-218 (6). For the purpose of minimizing compliance costs for retailers and administrative costs for the state, the department of revenue shall collect and administer the community access retail delivery fee on behalf of the enterprise in the same manner in which it collects and administers the retail delivery fee imposed by section 43-4-218 (3).

(b) For retail deliveries of tangible personal property purchased during state fiscal year 2022-23, the enterprise shall impose the community access retail delivery fee in a maximum amount of six and nine-tenths cents.

(c) (I) Except as otherwise provided in subsection (7)(e)(II) of this section, for retail deliveries of tangible personal property purchased during state fiscal year 2023-24 or during any subsequent state fiscal year, the enterprise shall impose the community access retail delivery fee in a maximum amount that is the maximum amount for the prior state fiscal year adjusted for inflation. The enterprise shall notify the department of revenue of the amount of the community access retail delivery fee to be collected for retail deliveries of tangible personal property purchased during each state fiscal year no later than March 15 of the calendar year in which the state fiscal year begins, and the department of revenue shall

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1 publish the amount no later than April 15 of the calendar year in which the 2 state fiscal year begins. 3 (II) The enterprise is authorized to adjust the amount of the 4 community access retail delivery fee for retail deliveries of tangible 5 personal property purchased during a state fiscal year only if the 6 department of revenue adjusts the amount of the retail delivery fee 7 imposed by section 43-4-218 (3) for retail deliveries of tangible personal 8 property purchased during the state fiscal year. 9 SECTION 14. In Colorado Revised Statutes, 25-7.5-101, amend 10 (1) introductory portion, (1)(a), (1)(c), (1)(e) introductory portion, and 11 (2)(e) introductory portion; and **repeal** (1)(d) as follows: 12 **25-7.5-101.** Legislative declaration. (1) The general assembly 13 hereby finds and declares that: 14 (a) An increasing number of fleet motor vehicles are on the road 15 to meet increasing demands for retail deliveries and rides arranged 16 through transportation network companies; 17 (c) The adverse environmental and health impacts of increased 18 emissions from fleet motor vehicles used to make retail deliveries and 19 provide rides arranged through transportation network companies can be 20 mitigated and offset by supporting the widespread adoption of electric 21 motor vehicles for use in motor vehicle fleets: 22 (d) Instead of reducing the impacts of retail deliveries and rides 23 arranged through transportation network companies by limiting retail 24 delivery and transportation network company ride activity through 25 regulation, it is more appropriate to continue to allow persons who

receive retail deliveries and benefit from the convenience afforded by

unfettered retail deliveries and to allow transportation network companies

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that arrange prearranged rides to continue to provide that service without undue restrictions and instead impose a small fee on each retail delivery and ride and use fee revenue to fund necessary mitigation activities; and (e) It is necessary, appropriate, and in the best interest of the state and all Coloradans to incentivize and support the use of electric motor vehicles and, to the extent temporarily necessitated by the limitations of current electric motor vehicle technology and availability for certain fleet uses, compressed natural gas motor vehicles that are fueled by recovered 9 methane and that produce fewer emissions than gasoline or diesel powered motor vehicles, by businesses and governmental entities that use fleets of motor vehicles, including fleets composed of personal motor vehicles owned by individual contractors who THAT provide prearranged rides for transportation network companies, or make retail deliveries, and to enable the state to achieve its stated electric motor vehicle adoption goals because increased usage of electric motor vehicles in motor vehicle fleets: (2) The general assembly further finds and declares that: (e) Consistent with the determination of the Colorado supreme court in Nicholl v. E-470 Public Highway Authority, 896 P.2d 859 (Colo. 1995), that the power to impose taxes is inconsistent with enterprise status under section 20 of article X of the state constitution, it is the conclusion of the general assembly that the revenue collected by the enterprise is generated by fees, not taxes, because the fees imposed by the enterprise 24 as authorized by section 25-7.5-103 (7) and (8) are: SECTION 15. In Colorado Revised Statutes, 25-7.5-102, amend (13); and **repeal** (21) and (22) as follows:

25-7.5-102. Definitions. As used in this article 7.5, unless the

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-13-SB25-139 context otherwise requires:

(13) "Inflation" means the average annual percentage change in
the United States department of labor, bureau of labor statistics, consumer
price index for Denver-Aurora-Lakewood for all items and all urban
consumers, or its applicable predecessor or successor index, for the five
years ending on the last December 31 before a state fiscal year for which
an inflation adjustment to be made to the clean fleet per ride fee imposed
by section 25-7.5-103 (7) or the clean fleet retail delivery fee imposed by
section 25-7.5-103 (8) begins.

- (21) "Retail delivery" has the same meaning as set forth in section 43-4-218 (2)(e).
- 12 (22) "Retailer" has the same meaning as set forth in section
 13 39-26-102 (8).
- SECTION 16. In Colorado Revised Statutes, 25-7.5-103, amend (3)(a), (5)(a), and (6)(h); and repeal (8) as follows:

25-7.5-103. Clean fleet enterprise - creation - board - powers and duties - fees - fund. (3) The business purpose of the enterprise is to incentivize and support the use of electric motor vehicles, including motor vehicles that originally were powered exclusively by internal combustion engines but have been converted into electric motor vehicles, and, to the extent temporarily necessitated by the limitations of current electric motor vehicle technology for certain fleet uses, compressed natural gas motor vehicles that are fueled by recovered methane, by businesses and governmental entities that own or operate fleets of motor vehicles, including fleets composed of personal motor vehicles owned or leased by individual contractors who provide prearranged rides for transportation network companies or deliver goods for a third-party

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delivery service. To allow the enterprise to accomplish this purpose and fully exercise its powers and duties through the board, the enterprise may:

- (a) Impose a clean fleet per ride fee and a clean fleet retail delivery fee as authorized by subsections (7) and (8) SUBSECTION (7) of this section;
- (5) (a) The clean fleet enterprise fund is hereby created in the state treasury. The fund consists of clean fleet per ride fee revenue and clean fleet retail delivery fee revenue credited to the fund pursuant to subsections (7) and (8) SUBSECTION (7) of this section, any monetary gifts, grants, donations, or other payments received by the enterprise, any federal money that may be credited to the fund, and any other money that the general assembly may appropriate or transfer to the fund. The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund. Money in the fund is continuously appropriated to the enterprise for the purposes set forth in this article 7.5 and to pay the enterprise's reasonable and necessary operating expenses, including the repayment of any loan received pursuant to subsection (5)(b) of this section.
- (6) In addition to any other powers and duties specified in this section, the board has the following general powers and duties:
- (h) To promulgate ADOPT rules for the sole purpose of setting the amounts AMOUNT of the clean fleet per ride fee and the clean fleet retail delivery fee at or below the maximum amounts AMOUNT authorized in this section; and
- (8) (a) In furtherance of its business purpose, beginning in state fiscal year 2022-23, the enterprise shall impose, and the department of revenue shall collect on behalf of the enterprise, a clean fleet retail

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delivery fee on each retail delivery. Each retailer who makes a retail delivery shall either collect and remit or elect to pay the clean fleet retail delivery fee in the manner prescribed by the department in accordance with section 43-4-218 (6). For the purpose of minimizing compliance costs for retailers and administrative costs for the state, the department of revenue shall collect and administer the clean fleet retail delivery fee on behalf of the enterprise in the same manner in which it collects and administers the retail delivery fee imposed by section 43-4-218 (3).

(b) For retail deliveries of tangible personal property purchased during state fiscal year 2022-23, the enterprise shall impose the clean fleet retail delivery fee in a maximum amount of five and three-tenths cents.

(c) (I) Except as otherwise provided in subsection (8)(c)(II) of this section, for retail deliveries of tangible personal property purchased during state fiscal year 2023-24 or during any subsequent state fiscal year, the enterprise shall impose the clean fleet retail delivery fee in a maximum amount that is the maximum amount for the prior state fiscal year adjusted for inflation. The enterprise shall notify the department of revenue of the amount of the clean fleet retail delivery fee to be collected for retail deliveries of tangible personal property purchased during each state fiscal year no later than March 15 of the calendar year in which the state fiscal year begins, and the department of revenue shall publish the amount no later than April15 of the calendar year in which the state fiscal year begins.

(II) The enterprise is authorized to adjust the amount of the clean fleet retail delivery fee for retail deliveries of tangible personal property purchased during a state fiscal year only if the department of revenue adjusts the amount of the retail delivery fee imposed by section 43-4-218

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1 (3) for retail deliveries of tangible personal property purchased during the 2 state fiscal year. 3 **SECTION 17.** In Colorado Revised Statutes, repeal 25-16.5-102 4 **(2)**. 5 **SECTION 18.** In Colorado Revised Statutes, repeal 25-16.5-103 6 **(2)**. 7 **SECTION 19.** In Colorado Revised Statutes, repeal 25-16.5-104 8 **(4)**. 9 **SECTION 20.** In Colorado Revised Statutes, **repeal** 25-16.5-105. 10 **SECTION 21.** In Colorado Revised Statutes, repeal 25-16.5-110. 11 **SECTION 22.** In Colorado Revised Statutes, repeal 25-17-503 12 **(8)**. 13 SECTION 23. In Colorado Revised Statutes, 25-17-504, amend 14 (1) introductory portion as follows: 15 25-17-504. Restrictions on use of single-use plastic carryout 16 bag - inventory exception. (1) Subject to section 25-17-505 (1), on and 17 after January 1, 2024, A store or retail food establishment shall not 18 provide a single-use plastic carryout bag to a customer; except that a retail 19 food establishment need not comply with this section if the retail food 20 establishment: 21 **SECTION 24.** In Colorado Revised Statutes, 26-2-307, amend 22 (2)(a); and repeal (1)(b)(V)(A) and (1)(f)(I) as follows: 23 26-2-307. Fuel assistance payments - eligibility for federal 24 standard utility allowance - supplemental utility assistance fund 25 established - definitions - repeal. (1) (b) (V) On or before April 1, 26 2024, and on or before April 1 of each year thereafter, the state 27 department shall submit a budget to the organization and the commission

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to include the state department's administrative costs to implement the program, including the cost to issue payments to recipients' electronic benefits transfer cards for payments made pursuant to subsection (1)(a) of this section, and the projected number of eligible households that the state department identifies as receiving SNAP benefits but that are not receiving assistance under LEAP, including an estimated number of new SNAP cases that the state department will approve during the upcoming federal fiscal year. Based on the budget that the state department submits, the organization shall:

- (A) Calculate the amount of money from the energy assistance system benefit charge collected pursuant to section 40-8.7-104 (2.5) that it allocates as part of its budget prepared pursuant to section 40-8.7-108 (3) for use by the state department to make fuel assistance payments and to implement the program;
- (f) On or before October 1, 2022, the state department shall submit a budget to the organization and the commission to cover the state department's administrative costs to set up the program. Based on the budget that the state department submits, the organization shall:
- (I) Calculate the amount of money from the energy assistance system benefit charge collected pursuant to section 40-8.7-104 (2.5) that it allocates as part of its budget prepared pursuant to section 40-8.7-108 (3) for use by the state department to set up the program; and
- (2) (a) The supplemental utility assistance fund, referred to in this subsection (2) as the "fund", is hereby created in the state treasury. The fund consists of money credited to the fund pursuant to section 40-8.7-108 (2)(b) and any other money that the general assembly may appropriate or transfer to the fund.

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1	SECTION 25. In Colorado Revised Statutes, 39-21-119.5,
2	amend (2)(s) and (2)(t); and repeal (2)(u) as follows:
3	39-21-119.5. Mandatory electronic filing of returns -
4	mandatory electronic payment - penalty - waiver - definitions.
5	(2) Except as provided in subsection (6) of this section, the executive
6	director may, as specified in subsection (3) of this section, require the
7	electronic filing of returns and require the payment of any tax or fee due
8	by electronic funds transfer for the following:
9	(s) Any prepaid wireless 911 charge report required to be filed and
10	payment required to be made pursuant to section 29-11-102.5 (3); AND
11	(t) Any prepaid wireless telecommunications relay service charge
12	report required to be filed and payment required to be made pursuant to
13	section 29-11-102.7 (3). and
14	(u) Any retail delivery fee or enterprise retail delivery fees return
15	required to be filed pursuant to section 43-4-218 (6).
16	SECTION 26. In Colorado Revised Statutes, 39-26-102, amend
17	(7)(a) introductory portion as follows:
18	39-26-102. Definitions. As used in this article 26, unless the
19	context otherwise requires:
20	(7) (a) "Purchase price" means the price to the consumer,
21	exclusive of any direct tax imposed by the federal government or by this
22	article 26, exclusive of any retail delivery fee and enterprise retail
23	delivery fees imposed or collected as specified in section 43-4-218, and,
24	in the case of all retail sales involving the exchange of property, also
25	exclusive of the fair market value of the property exchanged at the time
26	and place of the exchange, if:
27	SECTION 27. In Colorado Revised Statutes, repeal 39-28.5-109.

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1	SECTION 28. In Colorado Revised Statutes, amend 39-28.6-110
2	as follows:
3	39-28.6-110. Taxation by cities and towns. This article 28.6
4	does not prevent a statutory or home rule municipality, county, or city and
5	county from imposing, levying, and collecting any special sales tax upon
6	sales of cigarettes, tobacco products, or nicotine products, as that term is
7	defined in section 18-13-121 (5), or upon the occupation or privilege of
8	selling cigarettes, tobacco products, or nicotine products. This article 28.6
9	does not affect any existing authority of local governments to impose a
10	special sales tax on cigarettes, tobacco products, or nicotine products, in
11	accordance with section 39-28-112, to be used for local and governmental
12	purposes.
13	SECTION 29. In Colorado Revised Statutes, 39-37-103, repeal
14	(15)(a)(IV) as follows:
15	39-37-103. Definitions. As used in this article 37, unless the
16	context otherwise requires:
17	(15) (a) "Purchase price" means the aggregate consideration
18	valued in money paid or delivered or promised to be paid or delivered by
19	the user or consumer in consummation of a sale, exclusive of:
20	(IV) Any retail delivery fee and enterprise retail delivery fees
21	imposed or collected as specified in section 43-4-218;
22	SECTION 30. In Colorado Revised Statutes, repeal 40-8.5-103.5
23	(6)(c).
24	SECTION 31. In Colorado Revised Statutes, repeal 40-8.7-103
25	(3.3).
26	SECTION 32. In Colorado Revised Statutes, 40-8.7-104, amend
27	(1) and (3); and repeal (2.5) as follows:

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1	40-8.7-104. Energy assistance program - creation - energy
2	assistance contribution. (1) There is hereby created the low-income
3	energy assistance program to collect and disburse an optional energy
4	assistance contribution and an energy assistance system benefit charge
5	MADE in Colorado in accordance with this article 8.7.
6	(2.5) (a) Except as provided in subsections (2.5)(b) and (2.5)(c)
7	of this section, commencing with a customer's billing statement covering
8	electric or gas usage in the month of October 2021, every investor-owned
9	utility doing business in Colorado shall collect a monthly energy
10	assistance system benefit charge from each of its utility customers
11	pursuant to section 40-8.7-105.5 (1).
12	(b) (I) For each month that an investor-owned utility collects the
13	monthly energy assistance system benefit charge, the utility shall include
14	on its customers' billing statements a conspicuous notification in both
15	English and Spanish that substantially complies with the following
16	language:
17	If you're struggling to pay your utility bills, you might
18	qualify for exemption from a monthly charge related to
19	energy assistance and be eligible for utility bill payment
20	assistance. Please call 1-866-HEAT-HELP to see if you
21	qualify.
22	(II) The organization shall notify each investor-owned utility of
23	any customer of the investor-owned utility who is exempted from
24	payment of the charge by virtue of having received direct utility bill
25	payment assistance from the organization in the previous twelve months.
26	(III) Each investor-owned utility shall review readily available
27	information it has received from the state department of human services

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and the organization to determine which customers have received any direct utility bill payment assistance from the state department or the organization in the previous twelve months and, as a result, are eligible for exemption from payment of the charge.

- (IV) Upon receiving notification from the organization pursuant to subsection (2.5)(b)(II) of this section or upon its own determination that a customer is eligible for exemption from the charge, an investor-owned utility shall remove the charge from the customer's monthly billing statements for the succeeding twelve months.
- (c) For each month that an investor-owned utility collects the monthly energy assistance system benefit charge, the utility shall include on its customers' billing statements within its explanation of charges a phone number or e-mail address through which a customer may opt out of paying the monthly energy assistance system benefit charge.
- (3) Any reasonable costs that a utility incurs in connection with the program, including the initial costs of setting up the collection mechanism and reformatting its billing systems to solicit the optional contribution, and to impose and collect the charge, shall be reimbursed from the money collected for the program. The utility must submit a calculation of the amount of money to be reimbursed to the public utilities commission for its approval of prudently incurred costs. The reimbursed amounts must be transmitted to the utilities before the remaining money is distributed to the organization.
- **SECTION 33.** In Colorado Revised Statutes, **repeal** 40-8.7-107 25 (1.5)(a) and (1.5)(b).
- **SECTION 34.** In Colorado Revised Statutes, 40-8.7-108, **amend** 27 (1), (2), (3)(a)(I), and (3)(b); and **repeal** (3)(a)(II) and (3)(a)(III) as

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follows:

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40-8.7-108. Energy outreach Colorado - administration of **energy assistance contributions.** (1) The organization shall hold and administer all money collected for energy assistance pursuant to this article 8.7 delivered to it by the utilities pursuant to section 40-8.7-107 in a separately identifiable account, which shall be restricted to the purposes set forth in this article 8.7. The organization shall maintain its books and records pertaining to the energy assistance contributions and the energy assistance system benefit charge in accordance with generally accepted accounting principles and, in addition, shall maintain records adequate to identify the money collected by each utility. If the organization commingles the money collected and delivered with other assets of the organization for investment purposes, the organization shall maintain accurate accounts of the investment money and shall credit or charge a pro rata portion of all investment earnings, gains, or losses to the account that holds the optional energy assistance collections. and energy assistance system benefit charges.

(2) (a) Except as provided in subsection (2)(b) of this section, The organization shall use the money collected from the optional energy assistance contributions and the energy assistance system benefit charge to provide low-income energy assistance and to improve energy efficiency. The organization shall pay the financial assistance money to each utility as vendor payments. The organization shall not use the money for propane, gas, or electric assistance for customers whose propane, gas, electric, or gas and electric companies or cooperative electric associations do not participate in the program. The organization may use up to five percent of the money collected for administration of the energy assistance

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- 1 program in accordance with generally accepted accounting principles.
- 2 however, the organization shall not use any money collected from the
- 3 energy assistance system benefit charge to pay employee salaries or
- 4 bonuses.

- (b) In accordance with the payment amounts reflected in the organization's budget prepared pursuant to subsection (3)(b) of this section and approved by the legislative commission on low-income energy and water assistance pursuant to section 40-8.5-103.5 (6)(c), the organization shall transmit a portion of the money collected from the energy assistance system benefit charge to the state treasurer, and the state treasurer shall credit that amount to the supplemental utility assistance fund created in section 26-2-307 (2)(a) for use by the department of human services in accordance with section 26-2-307 (1).
- (3) (a) (I) Subject to the allocation requirements set forth in subsections (3)(a)(II) and (3)(a)(III) of this section, The organization shall, on an annual basis, develop a budget for the energy assistance program to determine the allocation of the money collected from the optional energy assistance contributions, and the energy assistance system benefit charge, with not more than fifty percent of the total amount allocated to direct utility bill payment assistance. To improve and increase enrollment in the utility assistance programs, the budget must include an allocation of at least two percent of the money collected from the charge to be used to engage the assistance of community-based organizations that are active in outreach to, engagement of, and education for income-qualified communities, communities of color, and immigrant communities to help provide outreach and education about the utility assistance programs. The organization shall submit a copy of the budget

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to the Colorado energy office for its review.

(II) Subject to subsection (3)(a)(IV) of this section, before the organization begins allocating an amount of the money collected from the energy assistance system benefit charge to be credited to the supplemental utility assistance fund created in section 26-2-307 (2)(a), the organization, after allocating at least two percent of the money collected to community outreach as described in subsection (3)(a)(I) of this section, shall:

(A) If the projected amount collected in the federal fiscal year, as determined by the organization by April 30, will not exceed ten million dollars, allocate forty percent to the Colorado energy office created in section 24-38.5-101 for its weatherization assistance program and retain forty-five percent for the organization's energy assistance programs, with the legislative commission on low-income energy and water assistance, referred to in this subsection (3)(a) as the "legislative commission", determining the allocation of the remaining money between the two entities pursuant to its budget approval authority under section 40-8.5-103.5 (6)(e); and

(B) If the projected amount collected in the federal fiscal year, as determined by the organization by April 30, will exceed ten million dollars, allocate forty-five percent to the Colorado energy office for its weatherization assistance program and retain forty-five percent for the organization's energy assistance programs, with the legislative commission determining the allocation of the remaining money between the two entities pursuant to its budget approval authority.

(III) Subject to subsection (3)(a)(IV) of this section, once the organization begins allocating an amount of the money collected from the energy assistance system benefit charge to be credited to the supplemental

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utility assistance fund created in section 26-2-307 (2)(a), the organization, after allocating money for the supplemental utility assistance fund and for community outreach as described in subsection (3)(a)(I) of this section, shall: (A) If the projected amount collected in the federal fiscal year, as determined by the organization by April 30, will not exceed ten million dollars, allocate forty percent to the Colorado energy office for its weatherization assistance program and retain forty-five percent for the organization's energy assistance programs, with the legislative commission determining the allocation of the remaining money between the two entities pursuant to its budget approval authority under section 40-8.5-103.5 (6)(c); and (B) If the projected amount collected in the federal fiscal year, as determined by the organization by April 30, will exceed ten million dollars, allocate forty-five percent to the Colorado energy office for its weatherization assistance program and retain forty-five percent for the organization's energy assistance programs, with the legislative commission determining the allocation of the remaining money between

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the two entities pursuant to its budget approval authority.

(b) As part of the budget developed pursuant to subsection (3)(a) of this section, the organization shall calculate the amount of money from the energy assistance system benefit charge to transmit to the state treasurer pursuant to subsection (2)(b) of this section and the amount of the fuel assistance payments that the department of human services makes in accordance with section 26-2-307 (1).

SECTION 35. In Colorado Revised Statutes, **repeal** 40-8.7-110 (1)(a)(II) and (4).

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1	SECTION 36. In Colorado Revised Statutes, repeal 43-4-205
2	(6.8)(b).
3	SECTION 37. In Colorado Revised Statutes, 43-4-805, amend
4	(1) introductory portion, $(1)(b)(II)$, $(2)(b)(I)$, $(2)(c)$, $(3)(a)$, $(5)(r)(I)$, and
5	(5)(r)(III)(A); and repeal (5)(g.7) as follows:
6	43-4-805. Statewide bridge enterprise - creation - board -
7	funds - powers and duties - legislative declaration - definitions.
8	(1) The general assembly hereby finds and declares that:
9	(b) Due to the limited availability of state and federal funding and
10	the need to accomplish the financing, repair, reconstruction, and
11	replacement of designated bridges; the completion of preventative
12	maintenance bridge projects; and the completion of tunnel projects as
13	promptly and efficiently as possible, it is necessary to create a statewide
14	bridge and tunnel enterprise and to authorize the enterprise to:
15	(II) Impose a bridge safety surcharge AND a bridge and tunnel
16	impact fee and a bridge and tunnel retail delivery fee, at rates reasonably
17	calculated to defray the costs of completing designated bridge projects,
18	preventative maintenance bridge projects, and tunnel projects and
19	distribute the burden of defraying the costs in a manner based on the
20	benefits received by persons paying the fees and using designated bridges
21	and tunnels, and receiving retail deliveries receive and expend revenue
22	generated by the surcharge and fees and other money, issue revenue
23	bonds and other obligations, contract with the state, if required approvals
24	are obtained, to receive one or more loans of money received by the state
25	under the terms of one or more financed purchase of an asset or certificate
26	of participation agreements authorized by this part 8, expend revenue
27	generated by the surcharge to repay any such loan or loans received, and

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exercise other powers necessary and appropriate to carry out its purposes; and

- (2) (b) The business purpose of the bridge enterprise is to finance, repair, reconstruct, and replace any designated bridge in the state, complete preventative maintenance bridge projects, and complete tunnel projects and, as agreed upon by the enterprise and the commission, or the department to the extent authorized by the commission, to maintain the bridges it finances, repairs, reconstructs, and replaces. To allow the bridge enterprise to accomplish this purpose and fully exercise its powers and duties through the bridge enterprise board, the bridge enterprise may:
- (I) Impose a bridge safety surcharge AND a bridge and tunnel impact fee and a bridge and tunnel retail delivery fee as authorized by subsections (5)(g) AND (5)(g.5) and (5)(g.7) of this section;
- (c) The bridge enterprise constitutes an enterprise for purposes of section 20 of article X of the state constitution so long as it retains the authority to issue revenue bonds and receives less than ten percent of its total revenues in grants from all Colorado state and local governments combined. So long as it constitutes an enterprise pursuant to this subsection (2)(c), the bridge enterprise shall not be subject to any provisions of section 20 of article X of the state constitution. Consistent with the determination of the Colorado supreme court in *Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859 (Colo. 1995), that the power to impose taxes is inconsistent with "enterprise" status under section 20 of article X of the state constitution, the general assembly finds and declares that a bridge safety surcharge OR a bridge and tunnel impact fee or a bridge and tunnel retail delivery fee imposed by the bridge enterprise as authorized by subsection (5)(g) OR (5)(g.5) or (5)(g.7) of this section is

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not a tax but is instead a fee imposed by the bridge enterprise to defray the cost of completing designated bridge projects, preventative maintenance bridge projects, and tunnel projects that the enterprise provides as a specific service to the persons upon whom the fee is imposed and at rates reasonably calculated based on the benefits received by such persons.

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(3) (a) The statewide bridge and tunnel enterprise special revenue fund, referred to in this part 8 as the "bridge special fund", is hereby created in the state treasury. All revenue received by the bridge enterprise, including, but not limited to, revenue from a bridge safety surcharge imposed as authorized by subsection (5)(g) of this section, revenue from a bridge and tunnel impact fee imposed as authorized by subsection (5)(g.5) of this section, revenue from a bridge and tunnel retail delivery fee imposed as authorized by subsection (5)(g.7) of this section, and any money loaned to the enterprise by the state pursuant to subsection (5)(r)of this section, shall be deposited into the bridge special fund. The bridge enterprise board may establish separate accounts within the bridge special fund as needed in connection with any specific designated bridge project, preventative maintenance bridge project, or tunnel project. The bridge enterprise also may deposit or permit others to deposit other money into the bridge special fund, but in no event may revenue from any tax otherwise available for general purposes be deposited into the bridge special fund. The state treasurer, after consulting with the bridge enterprise board, shall invest any money in the bridge special fund, including any surplus or reserves, but excluding any proceeds from the sale of bonds or earnings on such proceeds invested pursuant to section 43-4-807 (2), that are not needed for immediate use. Such money may be

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invested in the types of investments authorized in sections 24-36-109, 24-36-112, and 24-36-113.

- (5) In addition to any other powers and duties specified in this section, the bridge enterprise board has the following powers and duties:
- (g.7) (I) In furtherance of its business purpose, beginning in state fiscal year 2022-23, the bridge enterprise shall impose, and the department of revenue shall collect on behalf of the bridge enterprise, a bridge and tunnel retail delivery fee on each retail delivery. Each retailer who makes a retail delivery shall either collect and remit or elect to pay the bridge and tunnel retail delivery fee in the manner prescribed by the department in accordance with section 43-4-218 (6). For the purpose of minimizing compliance costs for retailers and administrative costs for the state, the department of revenue shall collect and administer the bridge and tunnel retail delivery fee on behalf of the bridge enterprise in the same manner in which it collects and administers the retail delivery fee imposed by section 43-4-218 (3).
- (II) For retail deliveries of tangible personal property purchased during state fiscal year 2022-23, the bridge enterprise shall impose the bridge and tunnel retail delivery fee in a maximum amount of two and seven-tenths cents.
- (5)(g.7)(III)(B) of this section, for retail deliveries of tangible personal property purchased during state fiscal year 2023-24 or during any subsequent state fiscal year, the bridge enterprise shall impose the bridge and tunnel retail delivery fee in a maximum amount that is the maximum amount for the prior state fiscal year adjusted for inflation. The bridge enterprise shall notify the department of revenue of the amount of the

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bridge and tunnel retail delivery fee to be collected for retail deliveries of tangible personal property purchased during each state fiscal year no later than March 15 of the calendar year in which the state fiscal year begins, and the department of revenue shall publish the amount no later than April15 of the calendar year in which the state fiscal year begins.

(B) The bridge enterprise is authorized to adjust the amount of the bridge and tunnel retail delivery fee for retail deliveries of tangible personal property purchased during a state fiscal year only if the department of revenue adjusts the amount of the retail delivery fee imposed by section 43-4-218 (3) for retail deliveries of tangible personal property purchased during the state fiscal year.

(IV) As used in this subsection (5)(g.7):

- (A) "Inflation" means the average annual percentage change in the United States department of labor, bureau of labor statistics, consumer price index for Denver-Aurora-Lakewood for all items and all urban consumers, or its applicable predecessor or successor index, for the five years ending on the last December 31 before a state fiscal year for which an inflation adjustment to be made to the bridge and tunnel retail delivery fee imposed pursuant to this subsection (5)(g.7) begins.
- (B) "Retail delivery" has the same meaning as set forth in section 43-4-218 (2)(e).
- (C) "Retailer" has the same meaning as set forth in section 39-26-102 (8).
 - (r) (I) To contract with the state to borrow money under the terms of one or more loan contracts entered into by the state and the bridge enterprise pursuant to subsection (5)(r)(III) of this section, to expend any money borrowed from the state for the purpose of completing designated

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bridge projects, preventative maintenance bridge projects, and tunnel projects and for any other authorized purpose that constitutes the construction, supervision, and maintenance of the public highways of this state for purposes of section 18 of article X of the state constitution, and to use revenue generated by any bridge safety surcharge OR bridge and tunnel impact fee or bridge and tunnel retail delivery fee imposed pursuant to subsection (5)(g) OR (5)(g.5) or (5)(g.7) of this section and any other legally available money of the bridge enterprise to repay the money borrowed and any other amounts payable under the terms of the loan contract.

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(III) (A) If the state treasurer receives a list from the governor pursuant to subsection (5)(r)(II) of this section, the state, acting by and through the state treasurer, may enter into a loan contract with the bridge enterprise and may raise the money needed to make a loan pursuant to the terms of the loan contract by selling or leasing one or more of the state buildings or other state capital facilities on the list. The state treasurer shall have sole discretion to enter into a loan contract on behalf of the state and to determine the amount of a loan; except that the principal amount of a loan shall not exceed the maximum amount specified by the governor pursuant to subsection (5)(r)(II) of this section. The state treasurer shall also have sole discretion to determine the timing of the entry of the state into any loan contract or the sale or lease of one or more state buildings or other state capital facilities. The loan contract shall require the bridge enterprise to pledge to the state all or a portion of the revenues of any bridge safety surcharge OR bridge and tunnel impact fee or bridge and tunnel retail delivery fee imposed pursuant to subsection (5)(g) OR (5)(g.5) or (5)(g.7) of this section for the repayment of the loan

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and may also require the bridge enterprise to pledge to the state any other legally available revenue of the bridge enterprise. Any loan contract entered into by the state, acting by and through the state treasurer, and the bridge enterprise pursuant to this subsection (5)(r)(III)(A) and any pledge of revenue by the bridge enterprise pursuant to such a loan contract shall be only for the benefit of, and enforceable only by, the state and the bridge enterprise. Specifically, but without limiting the generality of said limitation, no such loan contract or pledge shall be for the benefit of, or enforceable by, a seller under a financed purchase of an asset or certificate of participation agreement entered into pursuant to this subsection (5)(r)(III), an owner of any instrument evidencing rights to receive rentals or other payments made and to be made under such a financed purchase of an asset or certificate of participation agreement as authorized by subsection (5)(r)(IV)(B) of this section, a party to any ancillary agreement or instrument entered into pursuant to subsection (5)(r)(V) of this section, or a party to any interest rate exchange agreement entered into pursuant to subsection (5)(r)(VII)(A) of this section.

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SECTION 38. In Colorado Revised Statutes, 43-4-1101, **amend** (1) introductory portion as follows:

43-4-1101. Legislative declaration. (1) The general assembly hereby finds and declares that it is necessary, appropriate, and in the best interest of the state to use a portion of the general fund money that is dedicated for transportation purposes pursuant to section 24-75-219 to fund multimodal transportation projects and operations throughout the state and to use a portion of the money that is generated by the retail delivery fee imposed on the delivery of retail goods transported to the

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1 delivery site by motor vehicle pursuant to section 43-4-218 (3) to fund 2 transportation-related greenhouse gas mitigation expenses throughout the 3 state as authorized by this part 11 because, in addition to the general 4 benefits that it provides to all Coloradans, a complete and integrated 5 multimodal transportation system that includes greenhouse gas mitigation 6 projects and services: 7 SECTION 39. In Colorado Revised Statutes, 43-4-1103, amend 8 (1)(a), (2)(d)(I), and (2)(d)(II) as follows: 9 43-4-1103. Multimodal transportation options fund - creation 10 - revenue sources for fund - use of fund. (1) (a) The multimodal 11 transportation and mitigation options fund is hereby created in the state 12 treasury. The fund consists of money transferred from the general fund to 13 the fund pursuant to section 24-75-219 retail delivery fee revenue credited 14 to the fund pursuant to section 43-4-218 (5)(a)(II), and any other money that the general assembly may appropriate or transfer to the fund. The 15 16 state treasurer shall credit all interest and income derived from the deposit 17 and investment of money in the fund to the fund. 18 (2) (d) (I) On and after October 1, 2022, unless the department has 19 both adopted implementing guidelines and procedures that satisfy the 20 requirements of section 43-1-128 (3) and updated its ten-year vision plan 21 to comply with the implementing guidelines and procedures, expenditures 22 from the funds made available for multimodal projects pursuant to 23 sections SECTION 24-75-219 (7)(c)(I) and (7)(f)(II) and 43-4-218 (5)(a)(II) 24 for state multimodal projects shall only be made for multimodal projects 25 that the department, in consultation with the department of public health 26 and environment, determines will help bring the ten-year vision plan into 27 compliance with the requirements of section 43-1-128 (3).

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(II) On and after October 1, 2022, unless the department has
adopted implementing guidelines and procedures that satisfy the
requirements of section 43-1-128 (3) and a metropolitan planning
organization that is in an area or includes an area that has been out of
attainment for national ambient air quality standards for ozone for two
years or more has updated its regional transportation plan to comply with
the implementing guidelines and procedures, expenditures from the funds
made available for multimodal projects pursuant to sections SECTION
24-75-219 (7)(c)(I) and (7)(f)(II) and 43-4-218 (5)(a)(II) for local
multimodal projects within the territory of the metropolitan planning
organization shall only be made for multimodal projects that the
department, in consultation with the department of public health and
environment, determines will help bring the regional transportation plan
into compliance with the requirements of section 43-1-128 (3).
me compliance with the requirements of section 12 1 120 (c).
SECTION 40. In Colorado Revised Statutes, 43-4-1201, amend
SECTION 40. In Colorado Revised Statutes, 43-4-1201, amend
SECTION 40. In Colorado Revised Statutes, 43-4-1201, amend (1) introductory portion, (1)(e)(II), (2)(c) introductory portion, (2)(e)
SECTION 40. In Colorado Revised Statutes, 43-4-1201, amend (1) introductory portion, (1)(e)(II), (2)(c) introductory portion, (2)(e) introductory portion, and (2)(g); and repeal (1)(a), (1)(b), (1)(c), (1)(d),
SECTION 40. In Colorado Revised Statutes, 43-4-1201, amend (1) introductory portion, (1)(e)(II), (2)(c) introductory portion, (2)(e) introductory portion, and (2)(g); and repeal (1)(a), (1)(b), (1)(c), (1)(d), (1)(f), and (2)(f) as follows:
SECTION 40. In Colorado Revised Statutes, 43-4-1201, amend (1) introductory portion, (1)(e)(II), (2)(c) introductory portion, (2)(e) introductory portion, and (2)(g); and repeal (1)(a), (1)(b), (1)(c), (1)(d), (1)(f), and (2)(f) as follows: 43-4-1201. Legislative declaration. (1) The general assembly
SECTION 40. In Colorado Revised Statutes, 43-4-1201, amend (1) introductory portion, (1)(e)(II), (2)(c) introductory portion, (2)(e) introductory portion, and (2)(g); and repeal (1)(a), (1)(b), (1)(c), (1)(d), (1)(f), and (2)(f) as follows: 43-4-1201. Legislative declaration. (1) The general assembly hereby finds and declares that:
SECTION 40. In Colorado Revised Statutes, 43-4-1201, amend (1) introductory portion, (1)(e)(II), (2)(c) introductory portion, (2)(e) introductory portion, and (2)(g); and repeal (1)(a), (1)(b), (1)(c), (1)(d), (1)(f), and (2)(f) as follows: 43-4-1201. Legislative declaration. (1) The general assembly hereby finds and declares that: (a) Retail deliveries are increasing and are expected to continue
SECTION 40. In Colorado Revised Statutes, 43-4-1201, amend (1) introductory portion, (1)(e)(II), (2)(c) introductory portion, (2)(e) introductory portion, and (2)(g); and repeal (1)(a), (1)(b), (1)(c), (1)(d), (1)(f), and (2)(f) as follows: 43-4-1201. Legislative declaration. (1) The general assembly hereby finds and declares that: (a) Retail deliveries are increasing and are expected to continue to increase in communities across the state;
SECTION 40. In Colorado Revised Statutes, 43-4-1201, amend (1) introductory portion, (1)(e)(II), (2)(c) introductory portion, (2)(e) introductory portion, and (2)(g); and repeal (1)(a), (1)(b), (1)(c), (1)(d), (1)(f), and (2)(f) as follows: 43-4-1201. Legislative declaration. (1) The general assembly hereby finds and declares that: (a) Retail deliveries are increasing and are expected to continue to increase in communities across the state; (b) The motor vehicles used to make retail deliveries are some of

emissions from motor vehicles used to make retail deliveries can be

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mitigated and offset by supporting the widespread adoption of electric buses for transit fleets and reducing vehicle miles traveled by encouraging people to choose clean, efficient, public transit options instead of personal motor vehicle travel;

- (d) Instead of reducing the impacts of retail deliveries by limiting retail delivery activity through regulation, it is more appropriate to continue to allow persons who receive retail deliveries to benefit from the convenience afforded by unfettered retail deliveries and instead impose a small fee on each retail delivery and use fee revenue to fund necessary mitigation activities;
- (e) It is necessary, appropriate, and in the best interest of the state and all Coloradans to incentivize, support, and accelerate the electrification of public transit in rural and urban areas throughout the state because electrification:
- (II) By reducing fuel and maintenance costs associated with the use of motor vehicles, helps public transit providers operate more efficiently, use cost savings to provide more reliable and convenient transit service to more riders, and further reduce emissions by reducing personal motor vehicle use. and
- (f) By reducing motor vehicle emissions, transit fleet electrification effectively remediates some of the impacts of retail deliveries by offsetting a portion of the increased motor vehicle emissions resulting from such deliveries.
 - (2) The general assembly further finds and declares that:
- (c) The enterprise provides impact remediation services when in exchange for the payment of clean transit retail delivery fees by or on behalf of purchasers of tangible personal property for retail delivery, it

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acts to mitigate the impacts of residential and commercial deliveries on the state's transportation infrastructure, air quality, and emissions by:

- (e) Consistent with the determination of the Colorado supreme court in *Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859 (Colo. 1995), that the power to impose taxes is inconsistent with enterprise status under section 20 of article X of the state constitution, it is the conclusion of the general assembly that the revenue collected by the enterprise is generated by fees, not taxes, because the clean transit retail delivery fee imposed by the enterprise as authorized by section 43-4-1203 (7) and the production fee for clean transit are IS:
- (f) So long as the enterprise qualifies as an enterprise for purposes of section 20 of article X of the state constitution, the revenue from the clean transit retail delivery fee collected by the enterprise is not state fiscal year spending, as defined in section 24-77-102 (17), or state revenues, as defined in section 24-77-103.6 (6)(c), and does not count against either the state fiscal year spending limit imposed by section 20 of article X of the state constitution or the excess state revenues cap, as defined in section 24-77-103.6 (6)(b)(I)(D); and
- (g) The addition of the production fee for clean transit continues to serve the enterprise's primary business purposes set forth in section 43-4-1203 (3)(a). If the addition of the production fee for clean transit combined with the clean transit retail delivery fee is estimated to result in the collection of fees and surcharges that exceed one hundred million dollars in the enterprise's first five fiscal years, the board shall adjust the fees FEE, lower the fees FEE, or stop collecting the fees FEE in order to not collect fees or surcharges that exceed one hundred million dollars in the enterprise's first five fiscal years, which five-year period, for the purpose

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1	of section 24-77-108, ends on June 30, 2026. Therefore, the enterprise,
2	originally created in section 43-4-1203, is in compliance with section
3	24-77-108.
4	SECTION 41. In Colorado Revised Statutes, 43-4-1202, repeal
5	(11), (15), and (16) as follows:
6	43-4-1202. Definitions. As used in this part 12, unless the context
7	otherwise requires:
8	(11) "Inflation" means the average annual percentage change in
9	the United States department of labor, bureau of labor statistics, consumer
10	price index for Denver-Aurora-Lakewood for all items and all urban
11	consumers, or its applicable predecessor or successor index, for the five
12	years ending on the last December 31 before a state fiscal year for which
13	an inflation adjustment to be made to the clean transit retail delivery fee
14	imposed pursuant to section 43-4-1203 (7) begins.
15	(15) "Retail delivery" has the same meaning as set forth in section
16	43-4-218 (2)(e).
17	(16) "Retailer" has the same meaning as set forth in section
18	39-26-102 (8).
19	SECTION 42. In Colorado Revised Statutes, 43-4-1203, amend
20	(3)(a)(I), (5)(a), and (6)(g); and repeal (3)(b)(I) and (7) as follows:
21	43-4-1203. Clean transit enterprise - creation - board - powers
22	and duties - rules - fees - fund. (3) (a) The primary business purposes
23	of the enterprise are to:
24	(I) Reduce and mitigate the adverse environmental and health
25	impacts of air pollution and greenhouse gas emissions produced by motor
26	vehicles used to make retail deliveries by supporting the replacement of
27	existing gasoline and diesel transit vehicles with electric motor vehicles,

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including motor vehicles that originally were powered exclusively by internal combustion engines but have been converted into electric motor vehicles; providing the associated charging infrastructure for electric transit fleet motor vehicles; supporting facility modifications that allow for the safe operation and maintenance of electric transit motor vehicles; and funding planning studies that enable transit agencies to plan for transit vehicle electrification; and

- (b) To allow the enterprise to accomplish the business purposes described in subsection (3)(a) of this section and fully exercise its powers and duties through the board, the enterprise may:
- (I) Impose a clean transit retail delivery fee as authorized by subsection (7) of this section;
- (5) (a) The clean transit enterprise fund is hereby created in the state treasury. The fund consists of clean transit retail delivery fee revenue credited to the fund pursuant to subsection (7) of this section, any monetary gifts, grants, donations, or other money received by the enterprise, any federal money that may be credited to the fund, and any other money that the general assembly may appropriate or transfer to the fund. The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund. Subject to annual appropriation by the general assembly, the enterprise may expend money from the fund to provide grants, pay its reasonable and necessary operating expenses, including repayment of any loan received by the enterprise pursuant to subsection (5)(b) of this section, and otherwise exercise its powers and perform its duties as authorized by this part 3.
- (6) In addition to any other powers and duties specified in this section, the board has the following general powers and duties:

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(g) To promulgate ADOPT rules to set the amount of the clean transit retail delivery fee at or below the maximum amount authorized in this section and to govern the process by which the enterprise accepts applications for, awards, and oversees grants, loans, and rebates pursuant to subsection (8) of this section; and

- (7) (a) In furtherance of its business purpose, beginning in state fiscal year 2022-23, the enterprise shall impose, and the department of revenue shall collect on behalf of the enterprise, a clean transit retail delivery fee on each retail delivery. Each retailer who makes a retail delivery shall either collect and remit or elect to pay the clean transit retail delivery fee in the manner prescribed by the department in accordance with section 43-4-218 (6). For the purpose of minimizing compliance costs for retailers and administrative costs for the state, the department of revenue shall collect and administer the clean transit retail delivery fee on behalf of the enterprise in the same manner in which it collects and administers the retail delivery fee imposed by section 43-4-218 (3).
- (b) For retail deliveries of tangible personal property purchased during state fiscal year 2022-23, the enterprise shall impose the clean transit retail delivery fee in a maximum amount of three cents.
- (c) (I) Except as otherwise provided in subsection (7)(c)(II) of this section, for retail deliveries of tangible personal property purchased during state fiscal year 2023-24 or during any subsequent state fiscal year, the enterprise shall impose the clean transit retail delivery fee in a maximum amount that is the maximum amount for the prior state fiscal year adjusted for inflation. The enterprise shall notify the department of revenue of the amount of the clean transit retail delivery fee to be collected for retail deliveries of tangible personal property purchased

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during each state fiscal year no later than March 15 of the calendar year in which the state fiscal year begins, and the department of revenue shall publish the amount no later than April 15 of the calendar year in which the state fiscal year begins. (II) The enterprise is authorized to adjust the amount of the clean transit retail delivery fee for retail deliveries of tangible personal property purchased during a state fiscal year only if the department of revenue adjusts the amount of the retail delivery fee imposed by section 43-4-218 (3) for retail deliveries of tangible personal property purchased during the state fiscal year. SECTION 43. In Colorado Revised Statutes, 43-4-1301, amend (1) introductory portion, (1)(a), (1)(c), (2)(a), (2)(c), and (2)(d) as follows: **43-4-1301.** Legislative declaration. (1) The general assembly hereby finds and declares that:

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- (a) Rapid and continuing growth in retail deliveries made by motor vehicles and in prearranged rides arranged through transportation network companies has increased and will continue to increase traffic congestion and air pollution from motor vehicle emissions, along with the adverse environmental and health impacts that result from such pollution, in nonattainment areas, including but not limited to disproportionately impacted communities and communities adjacent to highways;
- (c) Instead of reducing the impacts of retail deliveries and prearranged rides arranged through transportation network companies, by limiting retail delivery and prearranged ride activity through regulation, it is more appropriate to continue to allow persons who receive retail deliveries and benefit from the convenience afforded by unfettered retail

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deliveries and to allow transportation network companies that arrange prearranged rides to continue to provide that service without undue restrictions and to instead impose a small fee on each retail delivery and prearranged ride and use fee revenue to fund necessary mitigation activities.

- (2) The general assembly further finds and declares that:
- (a) The enterprise provides impact remediation services when, in exchange for the payment of air pollution mitigation per ride fees by transportation network companies and air pollution mitigation retail delivery fees by or on behalf of purchasers of tangible personal property for retail delivery, it acts as authorized by this section to mitigate the impacts of prearranged rides arranged through transportation network companies and residential and commercial deliveries on the state's transportation infrastructure, air quality, and emissions;
- (c) Consistent with the determination of the Colorado supreme court in *Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859 (Colo. 1995), that the power to impose taxes is inconsistent with enterprise status under section 20 of article X of the state constitution, it is the conclusion of the general assembly that the revenue collected by the enterprise is generated by fees, not taxes, because the air pollution mitigation per ride fee and the air pollution mitigation retail delivery fee imposed by the enterprise as authorized by section 43-4-1303 are IS:
- (I) Imposed for the specific purpose of allowing the enterprise to defray the costs of providing the remediation services specified in this section, including mitigating impacts to air quality and greenhouse gas emissions caused by the activities on which the fees are FEE IS assessed, and contribute to the implementation of the comprehensive regulatory

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1	scheme required for the planning, funding, development, construction,
2	maintenance, and supervision of a sustainable transportation system; and
3	(II) Collected at rates that are reasonably calculated based on the
4	impacts caused by fee payers and the cost of remediating those impacts.
5	and
6	(d) So long as the enterprise qualifies as an enterprise for purposes
7	of section 20 of article X of the state constitution, the revenue from the
8	community access retail delivery fee AIR POLLUTION MITIGATION PER RIDE
9	FEE collected by the enterprise is not state fiscal year spending, as defined
10	in section 24-77-102 (17), or state revenues, as defined in section
11	24-77-103.6 (6)(c), and does not count against either the state fiscal year
12	spending limit imposed by section 20 of article X of the state constitution
13	or the excess state revenues cap, as defined in section 24-77-103.6
14	$\frac{(6)(b)(I)(D)}{(6)(b)(I)(G)}$.
15	SECTION 44. In Colorado Revised Statutes, 43-4-1302, amend
16	(15); and repeal (19) and (20) as follows:
17	43-4-1302. Definitions. As used in this part 13, unless the context
18	otherwise requires:
19	(15) "Inflation" means the average annual percentage change in
20	the United States department of labor, bureau of labor statistics, consumer
21	price index for Denver-Aurora-Lakewood for all items and all urban
22	consumers, or its applicable predecessor or successor index, for the five
23	years ending on the last December 31 before a state fiscal year for which
24	an inflation adjustment to be made to the air pollution mitigation per ride
25	fee imposed by section 43-4-1303 (7) or the air pollution mitigation retail
26	delivery fee imposed by section 43-4-1303 (8) begins.
27	(19) "Retail delivery" has the same meaning as set forth in section

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1	43-4-218 (2)(e).
2	(20) "Retailer" has the same meaning as set forth in section
3	39-26-102 (8).
4	SECTION 45. In Colorado Revised Statutes, 43-4-1303, amend
5	(3) introductory portion, (3)(a), (5)(a), and (6)(h); and repeal (8) as
6	follows:
7	43-4-1303. Nonattainment area air pollution mitigation
8	enterprise - creation - board - powers and duties - rules - fees - fund.
9	(3) The business purpose of the enterprise is to mitigate the
10	environmental and health impacts of increased air pollution from motor
11	vehicle emissions in nonattainment areas that results from the rapid and
12	continuing growth in retail deliveries made by motor vehicles and in
13	prearranged rides provided by transportation network companies by
14	providing funding for eligible projects that reduce traffic, including
15	demand management projects that encourage alternatives to driving alone
16	or that directly reduce air pollution, such as retrofitting of construction
17	equipment, construction of roadside vegetation barriers, and planting trees
18	along medians. To allow the enterprise to accomplish this purpose and
19	fully exercise its powers and duties through the board, the enterprise may:
20	(a) Impose an air pollution mitigation per ride fee and an air
21	pollution mitigation retail delivery fee as authorized by subsections (7)
22	and (8) SUBSECTION (7) of this section;
23	(5) (a) The nonattainment area air pollution mitigation enterprise
24	fund is hereby created in the state treasury. The fund consists of air
25	pollution mitigation per ride fee revenue and air pollution mitigation retail
26	delivery fee revenue credited to the fund pursuant to subsections (7) and
27	(8) SUBSECTION (7) of this section, any monetary gifts, grants, donations,

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or other payments received by the enterprise, any federal money that may be credited to the fund, and any other money that the general assembly may appropriate or transfer to the fund. The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund. Money in the fund is continuously appropriated to the enterprise for the purposes set forth in this part 13 and to pay the enterprise's reasonable and necessary operating expenses, including the repayment of any loan received pursuant to subsection (5)(b) of this section.

- (6) In addition to any other powers and duties specified in this section, the board has the following general powers and duties:
- (h) To promulgate ADOPT rules for the sole purpose of setting the amounts AMOUNT of the air pollution mitigation per ride fee and the air pollution mitigation retail delivery fee at or below the maximum amounts authorized in this section; and
- (8) (a) In furtherance of its business purpose, beginning in state fiscal year 2022-23, the enterprise shall impose, and the department of revenue shall collect on behalf of the enterprise, an air pollution mitigation retail delivery fee on each retail delivery. Each retailer who makes a retail delivery shall either collect and remit or elect to pay the air pollution mitigation retail delivery fee in the manner prescribed by the department in accordance with section 43-4-218 (6). For the purpose of minimizing compliance costs for retailers and administrative costs for the state, the department of revenue shall collect and administer the air pollution mitigation retail delivery fee on behalf of the enterprise in the same manner in which it collects and administers the retail delivery fee imposed by section 43-4-218 (3).

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(b) For retail deliveries of tangible personal property purchased during state fiscal year 2022-23, the enterprise shall impose the air pollution mitigation retail delivery fee in a maximum amount of seven-tenths of one cent.

(c) (I) Except as otherwise provided in subsection (8)(c)(II) of this section, for retail deliveries of tangible personal property purchased during state fiscal year 2023-24 or during any subsequent state fiscal year, the enterprise shall impose the air pollution mitigation retail delivery fee in a maximum amount that is the maximum amount for the prior state fiscal year adjusted for inflation. The enterprise shall notify the department of revenue of the amount of the air pollution mitigation retail delivery fee to be collected for retail deliveries of tangible personal property purchased during each state fiscal year no later than March 15 of the calendar year in which the state fiscal year begins, and the department of revenue shall publish the amount no later than April15 of the calendar year in which the state fiscal year begins.

(II) The enterprise is authorized to adjust the amount of the air pollution mitigation retail delivery fee for retail deliveries of tangible personal property purchased during a state fiscal year only if the department of revenue adjusts the amount of the retail delivery fee imposed by section 43-4-218 (3) for retail deliveries of tangible personal property purchased during the state fiscal year.

SECTION 46. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this

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- act within such period, then the act, item, section, or part will not take
- 2 effect unless approved by the people at the general election to be held in
- November 2026 and, in such case, will take effect on the date of the
- 4 official declaration of the vote thereon by the governor.

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