

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

DRAFT  
9/12/23

Bill 10

LLS NO. 24-0243.01 Nicole Myers x4326

INTERIM COMMITTEE BILL

Transportation Legislation Review Committee

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**BILL TOPIC:** Programs To Reduce Ozone By Increased Transit Use

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**A BILL FOR AN ACT**

101      **CONCERNING PROGRAMS TO REDUCE GROUND-LEVEL OZONE THROUGH**  
102            **INCREASED USE OF TRANSIT, AND, IN CONNECTION THEREWITH,**  
103            **MODIFYING AND RELOCATING THE OZONE SEASON TRANSIT**  
104            **GRANT PROGRAM AND CREATING THE YOUTH FARE FREE**  
105            **TRANSIT GRANT PROGRAM.**

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**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/>.)*

**Transportation Legislation Review Committee.** The ozone season transit grant program was created in the Colorado energy office in

*Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words indicate deletions from existing law.*

2022. The bill makes the following changes to the ozone season transit grant program:

- Relocates the ozone season transit grant program to the department of transportation (department);
- Requires the transit association that receives money from the state and uses the money to make grants to transit agencies to consider grants that have been or will be awarded to the transit agency through the youth fare free transit grant program, created in the bill, when making grants to ensure that transit agencies do not receive grants through the ozone season transit grant program for services that are paid for with grants from the youth fare free transit grant program;
- Requires the state treasurer to transfer \$7 million to the ozone season transit grant program fund on July 1, 2024, and on July 1 of each year thereafter; and
- Makes the ozone season transit grant program permanent by repealing the statute that would repeal the ozone season transit grant program on July 1, 2024.

In addition, the bill creates the youth fare free transit grant program (program) in the department to provide grants to the regional transportation district (RTD) and a transit association to provide fare free year-round transit services for youth who are 19 years of age or younger (youth).

To receive a grant, a transit association or the RTD must submit an application to the department in accordance with the policies established by the department. A transit association that receives a grant may use the money to make grants to eligible transit agencies. The eligible transit agencies and the RTD may use the grant money to provide operating support for its transit operations and general transit programs, so long as the eligible transit agency or the RTD provides uninterrupted fare free year-round transit services for youth riders.

The RTD is required to report to the department and an eligible transit agency that receives a grant from a transit association is required to report to the transit association regarding the estimated change in youth ridership during the year in which fare free services were offered compared to previous years, any changes that the RTD or the eligible transit agency would make in how it provides fare free transit services to youth or in its use of the grant money based on its experiences, and how the RTD or the eligible transit agency marketed the fare free transit services for youth. The transit association is required to submit to the department a summary of the reported information for all eligible transit agencies that received a grant through the transit association.

The bill creates the youth fare free transit grant program fund (fund) and transfers \$7 million from the general fund to the fund on July

1, 2024, and on July 1 of each year thereafter. The money in the fund is continuously appropriated to the department for the program.

The department is required to establish policies governing the program and to report to the house of representatives transportation, housing, and local government committee and the senate transportation committee, or their successor committees, by December 31 of each year of the program.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add with amended**  
3 **and relocated provisions** 43-1-132 as follows:

4           **43-1-132 [Formerly 24-38.5-114]. Ozone season transit grant**  
5 **program - fund - creation - policies - report - definitions - repeal.**

6 (1) As used in this section, unless the context otherwise requires:

7           (a) "Eligible transit agency" means a transit agency that is:

8           (I) A regional service authority providing surface transportation  
9 pursuant to part 1 of article 7 of title 32, a regional transportation  
10 authority created pursuant to part 6 of article 4 of title 43, or any other  
11 political subdivision of the state, public entity, or nonprofit corporation  
12 providing mass transportation services to the general public other than the  
13 regional transportation district; and

14           (II) Eligible to receive money under a grant authorized by 49  
15 U.S.C. sec. 5307 or 49 U.S.C. sec. 5311.

16           (b) "Fund" means the ozone season transit grant program fund  
17 established in subsection (8) of this section.

18           ~~(c) "Office" means the Colorado energy office created in section~~  
19 ~~24-38.5-101.~~

20           ~~(d)~~ (c) "Ozone season" means the period from June 1 to August  
21 31 of a calendar year; except that, if an eligible transit agency operates in  
22 an area in which ozone-causing traffic levels are typically highest during

1 a different period than June 1 to August 31 of a calendar year and the  
2 eligible transit agency identifies the different period in an application for  
3 a grant to offer fare-free service during the identified period that is  
4 submitted to a transit association in accordance with the requirements of  
5 this section, "ozone season" means, for that eligible transit agency, the  
6 different period identified in the grant application.

7 (e) (d) "Program" means the ozone season transit grant program  
8 created in subsection (2) of this section.

9 (f) (e) "Regional transportation district" means the regional  
10 transportation district established in article 9 of title 32.

11 (f.5) (f) "Transit agency" means a provider of public  
12 transportation, as defined in 49 U.S.C. sec. 5302 (15), as amended.

13 (g) "Transit association" means a Colorado nonprofit corporation  
14 formed to represent transit interests in Colorado whose membership  
15 includes transit agencies, transit-related businesses, and governmental  
16 entities.

17 (2) The ozone season transit grant program is created in the ~~office~~  
18 DEPARTMENT. The purposes of the program are:

19 (a) To provide grants to transit associations for the purpose of  
20 providing grants to eligible transit agencies in order to offer free transit  
21 services for a minimum of thirty days during ozone season; and

22 (b) To provide grants to the regional transportation district for the  
23 purpose of providing free transportation services for a minimum of thirty  
24 days during ozone season.

25 (3) The ~~office~~ DEPARTMENT shall administer the program and  
26 award grants in accordance with this section and the policies developed  
27 by the ~~office~~ DEPARTMENT pursuant to subsection (6) of this section.

1 Subject to available appropriations, grants shall be paid out of the fund.

2 (4) (a) To receive a grant, a transit association or the regional  
3 transportation district must submit an application to the ~~office~~  
4 DEPARTMENT in accordance with the requirements of this section and the  
5 policies established by the ~~office~~ DEPARTMENT in accordance with  
6 subsection (6) of this section. The ~~office~~ DEPARTMENT may award grants  
7 of up to three million dollars each year to a transit association and up to  
8 eleven million dollars each year to the regional transportation district;  
9 except that:

10 (I) If the ~~office~~ DEPARTMENT awards a grant for a year to a transit  
11 association in an amount less than three million dollars, then the  
12 maximum amount of the grant that the ~~office~~ DEPARTMENT may award to  
13 the transit association for the next year is three million dollars plus an  
14 amount equal to the difference between three million dollars and the  
15 amount of the grant awarded to the transit association for the prior year;  
16 and

17 (II) If the ~~office~~ DEPARTMENT awards a grant for a year to the  
18 regional transportation district in an amount less than eleven million  
19 dollars, then the maximum amount of the grant that the ~~office~~  
20 DEPARTMENT may award to the regional transportation district for the next  
21 year is eleven million dollars plus an amount equal to the difference  
22 between eleven million dollars and the amount of the grant awarded to the  
23 regional transportation district for the prior year.

24 (b) A transit association, the regional transportation district, or an  
25 eligible transit agency that receives a grant ~~from a transit association~~  
26 THROUGH THE PROGRAM is not required to expend a grant in the year in  
27 which it is received and retains the grant amount until it is expended. The

1 retention of all or a portion of a grant received during one year by a transit  
2 association or the regional transportation district for use in a subsequent  
3 year does not reduce the maximum amount that the transit association or  
4 regional transportation district is eligible to receive as a new grant during  
5 the subsequent year as set forth in this subsection (4).

6 (5) A grant recipient may use the grant money as follows:

7 (a) (I) A transit association that receives a grant may use the  
8 money to establish a grant program for eligible transit agencies in  
9 accordance with this section. A transit association may use a portion of  
10 the grant money to pay its direct and indirect costs in administering the  
11 grant program including reasonable costs to market the program to  
12 eligible transit agencies.

13 (II) To receive a grant from the transit association, an eligible  
14 transit agency must submit an application to the transit association. At a  
15 minimum, the application must describe the free transit services that will  
16 be newly provided, expanded to include additional free types of service,  
17 expanded to include additional free routes, or provided more frequently  
18 with the grant money, indicate to what extent the eligible transit agency  
19 will match the grant money with other money, and commit to providing  
20 the new or expanded free services for at least thirty days during the ozone  
21 season.

22 (III) An eligible transit agency that receives a grant through the  
23 transit association may use the money to cover the costs associated with  
24 providing new or expanded free transit services within its service area  
25 during ozone season, including offering additional free services or free  
26 routes or increasing the frequency of service on routes for which the  
27 eligible transit agency currently offers free service. Grant money may be

1 used to replace fare box revenue and to pay for other expenses necessary  
2 to implement and measure the effectiveness of the program, including  
3 reasonable marketing expenses incurred to raise awareness of free service  
4 and increase ridership, expenses incurred in conducting rider surveys to  
5 better measure the impact of the program on ridership and vehicle miles  
6 traveled in private motor vehicles, and expenses associated with an  
7 increase in ridership as a result of the program.

8 (IV) An eligible transit agency shall not use grant money to offset  
9 or replace funding for free transit services that the eligible transit agency  
10 offers as of January 1 of the funding year; except that an eligible transit  
11 agency may use grant money that was not expended in the year in which  
12 it was received or grant money from a grant awarded for a subsequent  
13 year to continue funding for any such free transit services that were  
14 previously funded with grant money.

15 (V) In awarding grants under this subsection (5)(a), the transit  
16 association shall:

17 (A) Allocate money among applicants with the goals of reducing  
18 ozone formation, increasing ridership on transit, and reducing vehicle  
19 miles traveled in the state; ~~and~~

20 (B) Consider the extent to which the applicant will match grant  
21 money with other money; AND

22 (C) CONSIDER THE GRANTS THAT APPLICANTS HAVE BEEN  
23 AWARDED THROUGH THE YOUTH FARE FREE TRANSIT GRANT PROGRAM  
24 CREATED IN SECTION 43-1-133, TO ENSURE THAT THE APPLICANT DOES  
25 NOT RECEIVE GRANT MONEY PURSUANT TO THE PROGRAM FOR  
26 TRANSPORTATION SERVICES COVERED BY GRANTS AWARDED THROUGH  
27 THE YOUTH FARE FREE GRANT PROGRAM.

1 (VI) Each eligible transit agency that receives a grant shall report  
2 on the use of the money to the transit association in accordance with  
3 policies established by the transit association and the ~~office~~ DEPARTMENT.  
4 The report must include, at a minimum, information on how the grant  
5 money was spent; the free services that were offered using the grant  
6 money; and estimates of the change in ridership during the period that  
7 free services were offered compared to previous months, the same month  
8 in previous years, and the months after the program concluded. The report  
9 may include additional information, including a narrative analysis, to  
10 provide context on the ridership data included in the report. On or before  
11 December 1 of each year of the grant program, the transit association  
12 shall submit a report to the ~~office~~ DEPARTMENT compiling and  
13 summarizing the reported information for all eligible transit agencies that  
14 received a grant through the transit association.

15 (VII) A transit association receiving a grant shall develop and  
16 publicize policies for the grant, including the process and deadlines for  
17 an eligible transit agency to apply for and receive a grant, the information,  
18 including notice that the eligible transit agency must identify any period  
19 other than June 1 to August 31 of a calendar year for its ozone season in  
20 the application, and documentation required for the application, reporting  
21 requirements and deadlines, and any additional requirements necessary  
22 to administer the grant.

23 (b) (I) The regional transportation district may use grant money  
24 to cover the costs of providing at least thirty days of free transit on all  
25 services offered by the regional transportation district. Grant money may  
26 be used to replace fare box revenue and to pay for other expenses  
27 necessary to implement the program, including reasonable marketing



1 expenses incurred to raise awareness of free service and increase  
2 ridership and expenses associated with an increase in ridership as a result  
3 of the program.

4 (II) On or before December 1 of each year for which the regional  
5 transportation district receives a grant, the regional transportation district  
6 shall submit a report to the ~~office~~ DEPARTMENT on the implementation of  
7 the program in accordance with the policies established by the ~~office~~  
8 DEPARTMENT. At a minimum, the report must include information on how  
9 the grant money was spent; the free services that were offered using the  
10 grant money; and estimates of the change in ridership during the period  
11 that free services were offered compared to previous months, the same  
12 month in previous years, and the months after the program concluded.  
13 The report may include additional information, including a narrative  
14 analysis, to provide context on the ridership data included in the report.

15 (III) The state auditor shall audit the regional transportation  
16 district's use of the grant money as part of its next performance audit of  
17 the regional transportation district conducted pursuant to section 32-9-115  
18 (3).

19 (6) The ~~office~~ DEPARTMENT shall establish and publicize policies  
20 for the program. At a minimum, the policies must address the process and  
21 any deadlines for applying for and receiving a grant under the program,  
22 the information and documentation required for the application, reporting  
23 requirements and deadlines, and any additional policies necessary to  
24 administer the program.

25 (7) The ~~office~~ DEPARTMENT may seek, accept, and expend gifts,  
26 grants, or donations from private or public sources for the purposes of this  
27 section. The ~~office~~ DEPARTMENT shall transmit all money received

1 through gifts, grants, or donations to the state treasurer, who shall credit  
2 the money to the fund.

3 (8) (a) The ozone season transit grant program fund is hereby  
4 created in the state treasury. The fund consists of money transferred to the  
5 fund in accordance with ~~subsection (8)(d)~~ SUBSECTIONS (8)(d) AND (8)(e)  
6 of this section, any other money that the general assembly appropriates or  
7 transfers to the fund, and any gifts, grants, or donations credited to the  
8 fund pursuant to subsection (7) of this section.

9 (b) The state treasurer shall credit all interest and income derived  
10 from the deposit and investment of money in the fund to the fund.

11 (c) Money in the fund is continuously appropriated to the ~~office~~  
12 DEPARTMENT for the purposes specified in this section.

13 (d) Three days after May 26, 2022, the state treasurer shall  
14 transfer twenty-eight million dollars from the general fund to the fund.

15 (e) ON JULY 1, 2024, AND ON JULY 1 OF EACH YEAR THEREAFTER,  
16 THE GENERAL ASSEMBLY SHALL TRANSFER SEVEN MILLION DOLLARS TO  
17 THE FUND.

18 (9) On or before December 31 of each year of the program, the  
19 ~~office~~ DEPARTMENT shall submit a report on the implementation of the  
20 program to the house of representatives transportation and local  
21 government committee and the senate transportation and energy  
22 committee, or their successor committees. The report must summarize  
23 and compile the information submitted to the ~~office~~ DEPARTMENT  
24 pursuant to subsections (5)(a)(VI) and (5)(b)(II) of this section.

25 ~~(10) This section is repealed, effective July 1, 2024.~~

26 **SECTION 2.** In Colorado Revised Statutes, **add** 43-1-133 as  
27 follows:

1           **43-1-133. Youth fare free transit grant program - fund -**  
2 **creation - policies - report - definitions - repeal.** (1) AS USED IN THIS  
3 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

4           (a) "ELIGIBLE TRANSIT AGENCY" MEANS A TRANSIT AGENCY THAT  
5 IS:

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

13           (II) ELIGIBLE TO RECEIVE MONEY UNDER A GRANT AUTHORIZED BY  
14 49 U.S.C. SEC. 5307 OR 49 U.S.C. SEC. 5311.

15           (b) "FUND" MEANS THE YOUTH FARE FREE TRANSIT GRANT  
16 PROGRAM FUND ESTABLISHED IN SUBSECTION (8) OF THIS SECTION.

17           (c) "PROGRAM" MEANS THE YOUTH FARE FREE TRANSIT GRANT  
18 PROGRAM CREATED IN SUBSECTION (2) OF THIS SECTION.

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

21           (e) "TRANSIT AGENCY" MEANS A PROVIDER OF PUBLIC  
22 TRANSPORTATION, AS DEFINED IN 49 U.S.C. SEC. 5302 (15), AS AMENDED.

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

27           (g) "YOUTH" MEANS AN INDIVIDUAL WHO IS NINETEEN YEARS OF

1 AGE OR YOUNGER.

2 (2) THE YOUTH FARE FREE TRANSIT GRANT PROGRAM IS CREATED  
3 IN THE DEPARTMENT. THE PURPOSES OF THE PROGRAM ARE:

4 (a) TO PROVIDE GRANTS TO TRANSIT ASSOCIATIONS FOR THE  
5 PURPOSE OF PROVIDING GRANTS TO ELIGIBLE TRANSIT AGENCIES IN ORDER  
6 TO OFFER YEAR-ROUND FARE FREE TRANSIT SERVICES TO YOUTH RIDERS;  
7 AND

8 (b) TO PROVIDE GRANTS TO THE REGIONAL TRANSPORTATION  
9 DISTRICT FOR THE PURPOSE OF PROVIDING YEAR-ROUND FARE FREE  
10 TRANSIT SERVICES TO YOUTH RIDERS.

11 (3) THE DEPARTMENT SHALL ADMINISTER THE PROGRAM AND  
12 AWARD GRANTS IN ACCORDANCE WITH THIS SECTION AND THE POLICIES  
13 DEVELOPED BY THE DEPARTMENT PURSUANT TO SUBSECTION (6) OF THIS  
14 SECTION. SUBJECT TO AVAILABLE APPROPRIATIONS, GRANTS SHALL BE  
15 PAID OUT OF THE FUND.

16 (4) (a) TO RECEIVE A GRANT, A TRANSIT ASSOCIATION OR THE  
17 REGIONAL TRANSPORTATION DISTRICT MUST SUBMIT AN APPLICATION TO  
18 THE DEPARTMENT IN ACCORDANCE WITH THE REQUIREMENTS OF THIS  
19 SECTION AND THE POLICIES ESTABLISHED BY THE DEPARTMENT IN  
20 ACCORDANCE WITH SUBSECTION (6) OF THIS SECTION. THE DEPARTMENT  
21 MAY AWARD GRANTS OF UP TO FIVE MILLION DOLLARS EACH YEAR TO A  
22 TRANSIT ASSOCIATION AND UP TO FOUR MILLION FIVE HUNDRED  
23 THOUSAND DOLLARS EACH YEAR TO THE REGIONAL TRANSPORTATION  
24 DISTRICT; EXCEPT THAT:

25 (I) IF THE DEPARTMENT AWARDS A GRANT FOR A YEAR TO A  
26 TRANSIT ASSOCIATION IN AN AMOUNT LESS THAN FIVE MILLION DOLLARS,  
27 THEN THE MAXIMUM AMOUNT OF THE GRANT THAT THE DEPARTMENT MAY

1 AWARD TO THE TRANSIT ASSOCIATION FOR THE NEXT YEAR IS FIVE MILLION  
2 DOLLARS PLUS AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN FIVE  
3 MILLION DOLLARS AND THE AMOUNT OF THE GRANT AWARDED TO THE  
4 TRANSIT ASSOCIATION FOR THE PRIOR YEAR; AND

5 (II) IF THE DEPARTMENT AWARDS A GRANT FOR A YEAR TO THE  
6 REGIONAL TRANSPORTATION DISTRICT IN AN AMOUNT LESS THAN FOUR  
7 MILLION FIVE HUNDRED THOUSAND DOLLARS, THEN THE MAXIMUM  
8 AMOUNT OF THE GRANT THAT THE DEPARTMENT MAY AWARD TO THE  
9 REGIONAL TRANSPORTATION DISTRICT FOR THE NEXT YEAR IS FOUR  
10 MILLION FIVE HUNDRED THOUSAND DOLLARS PLUS AN AMOUNT EQUAL TO  
11 THE DIFFERENCE BETWEEN FOUR MILLION FIVE HUNDRED THOUSAND  
12 DOLLARS AND THE AMOUNT OF THE GRANT AWARDED TO THE REGIONAL  
13 TRANSPORTATION DISTRICT FOR THE PRIOR YEAR.

14 (b) A TRANSIT ASSOCIATION, THE REGIONAL TRANSPORTATION  
15 DISTRICT, OR AN ELIGIBLE TRANSIT AGENCY THAT RECEIVES A GRANT IS  
16 NOT REQUIRED TO EXPEND A GRANT IN THE YEAR IN WHICH IT IS RECEIVED  
17 AND RETAINS THE GRANT AMOUNT UNTIL IT IS EXPENDED. THE RETENTION  
18 OF ALL OR A PORTION OF A GRANT RECEIVED DURING ONE YEAR BY A  
19 TRANSIT ASSOCIATION OR THE REGIONAL TRANSPORTATION DISTRICT FOR  
20 USE IN A SUBSEQUENT YEAR DOES NOT REDUCE THE MAXIMUM AMOUNT  
21 THAT THE TRANSIT ASSOCIATION OR REGIONAL TRANSPORTATION DISTRICT  
22 IS ELIGIBLE TO RECEIVE PURSUANT TO THIS SUBSECTION (4) AS A NEW  
23 GRANT DURING THE SUBSEQUENT YEAR.

24 (5) (a) (I) A TRANSIT ASSOCIATION THAT RECEIVES A GRANT MAY  
25 USE THE MONEY TO ESTABLISH A GRANT PROGRAM FOR ELIGIBLE TRANSIT  
26 AGENCIES IN ACCORDANCE WITH THIS SECTION. A TRANSIT ASSOCIATION  
27 MAY USE A PORTION OF THE GRANT MONEY TO PAY ITS DIRECT AND

1 INDIRECT COSTS IN ADMINISTERING THE GRANT PROGRAM INCLUDING  
2 REASONABLE COSTS TO CREATE A STATEWIDE MARKETING CAMPAIGN FOR  
3 USE BY ELIGIBLE TRANSIT AGENCIES.

4 (II) TO RECEIVE A GRANT FROM A TRANSIT ASSOCIATION, AN  
5 ELIGIBLE TRANSIT AGENCY MUST SUBMIT AN APPLICATION TO THE TRANSIT  
6 ASSOCIATION. AT A MINIMUM, THE APPLICATION MUST DESCRIBE THE  
7 ELIGIBLE TRANSIT AGENCY'S CURRENT YOUTH RIDERSHIP AND THE  
8 METHOD THAT THE ELIGIBLE TRANSIT AGENCY USES TO TRACK YOUTH  
9 RIDERS.

10 (III) AN ELIGIBLE TRANSIT AGENCY THAT RECEIVES A GRANT  
11 THROUGH THE TRANSIT ASSOCIATION MAY USE THE GRANT MONEY TO  
12 PROVIDE OPERATING SUPPORT FOR ITS TRANSIT OPERATIONS AND GENERAL  
13 TRANSIT PROGRAMS, SO LONG AS THE ELIGIBLE TRANSIT AGENCY PROVIDES  
14 UNINTERRUPTED FARE FREE YEAR-ROUND TRANSIT SERVICES FOR YOUTH  
15 RIDERS.

16 (IV) IN AWARDING GRANTS UNDER THIS SUBSECTION (5)(a), A  
17 TRANSIT ASSOCIATION SHALL:

18 (A) ALLOCATE MONEY AMONG APPLICANTS WITH THE GOALS OF  
19 INCREASING YOUTH RIDERSHIP ON TRANSIT, REDUCING OZONE FORMATION,  
20 AND REDUCING VEHICLE MILES TRAVELED IN THE STATE; AND

21 (B) CONSIDER DISTRIBUTING GRANT MONEY USING A FORMULA  
22 DEVELOPED BY THE TRANSIT ASSOCIATION THAT TAKES INTO ACCOUNT  
23 YOUTH RIDERSHIP IN THE SERVICE AREA OF THE APPLICANT AND THE  
24 EXTENT TO WHICH THE APPLICANT WILL MATCH GRANT MONEY WITH  
25 OTHER MONEY; EXCEPT THAT APPLICANTS ARE NOT REQUIRED TO MATCH  
26 GRANT MONEY TO BE ELIGIBLE TO RECEIVE A GRANT.

27 (V) (A) 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 DEPARTMENT. THE REPORT MUST INCLUDE, AT A  
4 MINIMUM, ESTIMATES OF THE CHANGE IN YOUTH RIDERSHIP DURING THE  
5 YEAR IN WHICH FARE FREE SERVICES WERE OFFERED TO YOUTH RIDERS  
6 COMPARED TO PREVIOUS YEARS, ANY CHANGES THAT THE ELIGIBLE  
7 TRANSIT AGENCY WOULD MAKE IN HOW IT PROVIDES FARE FREE TRANSIT  
8 SERVICES TO YOUTH RIDERS OR IN ITS USE OF THE GRANT MONEY BASED ON  
9 ITS EXPERIENCES, AND HOW THE ELIGIBLE TRANSIT AGENCY MARKETED  
10 THE FARE FREE TRANSIT SERVICES FOR YOUTH RIDERS. THE REPORT MAY  
11 INCLUDE ADDITIONAL INFORMATION, INCLUDING A NARRATIVE ANALYSIS,  
12 TO PROVIDE CONTEXT ON THE RIDERSHIP DATA INCLUDED IN THE REPORT.  
13 EACH ELIGIBLE TRANSIT AGENCY THAT RECEIVES A GRANT THROUGH THE  
14 TRANSIT ASSOCIATION SHALL SUBMIT ITS REPORT TO THE TRANSIT  
15 ASSOCIATION BY JANUARY 31, 2025, AND BY JANUARY 31 OF EACH YEAR  
16 THEREAFTER.

17 (B) BY FEBRUARY 28, 2025, AND BY FEBRUARY 28 OF EACH YEAR  
18 THEREAFTER, THE TRANSIT ASSOCIATION SHALL SUBMIT A REPORT TO THE  
19 DEPARTMENT COMPILING AND SUMMARIZING THE REPORTED INFORMATION  
20 FOR ALL ELIGIBLE TRANSIT AGENCIES THAT RECEIVED A GRANT THROUGH  
21 THE TRANSIT ASSOCIATION.

22 (VI) A TRANSIT ASSOCIATION THAT RECEIVES A GRANT FROM THE  
23 DEPARTMENT SHALL DEVELOP AND PUBLICIZE POLICIES FOR THE GRANT,  
24 INCLUDING THE PROCESS AND DEADLINES FOR AN ELIGIBLE TRANSIT  
25 AGENCY TO APPLY FOR AND RECEIVE A GRANT, THE INFORMATION AND  
26 DOCUMENTATION REQUIRED FOR THE APPLICATION, REPORTING  
27 REQUIREMENTS AND DEADLINES, AND ANY ADDITIONAL REQUIREMENTS

1 NECESSARY TO ADMINISTER THE GRANT.

2 (b) (I) THE REGIONAL TRANSPORTATION DISTRICT MAY USE GRANT  
3 MONEY TO PROVIDE OPERATING SUPPORT FOR ITS TRANSIT OPERATIONS  
4 AND GENERAL TRANSIT PROGRAMS, SO LONG AS THE REGIONAL  
5 TRANSPORTATION DISTRICT PROVIDES UNINTERRUPTED FARE FREE  
6 YEAR-ROUND TRANSIT SERVICES FOR YOUTH RIDERS.

7 (II) ON OR BEFORE DECEMBER 1 OF EACH YEAR FOR WHICH THE  
8 REGIONAL TRANSPORTATION DISTRICT RECEIVES A GRANT, THE REGIONAL  
9 TRANSPORTATION DISTRICT SHALL SUBMIT A REPORT TO THE DEPARTMENT  
10 ON THE IMPLEMENTATION OF THE PROGRAM IN ACCORDANCE WITH THE  
11 POLICIES ESTABLISHED BY THE DEPARTMENT. THE REPORT MUST INCLUDE,  
12 AT A MINIMUM, ESTIMATES OF THE CHANGE IN YOUTH RIDERSHIP DURING  
13 THE YEAR IN WHICH FARE FREE SERVICES WERE OFFERED TO YOUTH RIDERS  
14 COMPARED TO PREVIOUS YEARS, ANY CHANGES THAT THE REGIONAL  
15 TRANSPORTATION DISTRICT WOULD MAKE IN HOW IT PROVIDES FARE FREE  
16 TRANSIT SERVICES TO YOUTH RIDERS OR IN ITS USE OF THE GRANT MONEY  
17 BASED ON ITS EXPERIENCES, AND HOW THE REGIONAL TRANSPORTATION  
18 DISTRICT MARKETED THE FARE FREE TRANSIT SERVICES FOR YOUTH  
19 RIDERS. THE REPORT MAY INCLUDE ADDITIONAL INFORMATION, INCLUDING  
20 A NARRATIVE ANALYSIS, TO PROVIDE CONTEXT ON THE RIDERSHIP DATA  
21 INCLUDED IN THE REPORT.

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

26 (6) (a) (I) THE DEPARTMENT SHALL ESTABLISH AND PUBLICIZE  
27 POLICIES FOR THE PROGRAM. AT A MINIMUM, THE POLICIES MUST ADDRESS



1 THE PROCESS AND ANY DEADLINES FOR APPLYING FOR AND RECEIVING A  
2 GRANT UNDER THE PROGRAM, THE INFORMATION AND DOCUMENTATION  
3 REQUIRED FOR THE APPLICATION, REPORTING REQUIREMENTS AND  
4 DEADLINES, AND ANY ADDITIONAL POLICIES NECESSARY TO ADMINISTER  
5 THE PROGRAM.

6 (II) IN ADMINISTERING THE GRANT PROGRAM, THE DEPARTMENT  
7 SHALL AWARD FORMULA-BASED GRANTS TO A TRANSIT ASSOCIATION AND  
8 THE REGIONAL TRANSPORTATION DISTRICT FOR USE BY THE TRANSIT  
9 ASSOCIATION OR THE REGIONAL TRANSPORTATION DISTRICT DURING THE  
10 TWELVE MONTHS FOLLOWING THE AWARD OF THE GRANT MONEY. THE  
11 DEPARTMENT SHALL ENSURE THAT GRANTS ARE AWARDED BY JULY 15,  
12 2024, AND BY JULY 15 OF EACH YEAR THEREAFTER.

13 (7) THE DEPARTMENT MAY SEEK, ACCEPT, AND EXPEND GIFTS,  
14 GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE  
15 PURPOSES OF THIS SECTION. THE DEPARTMENT SHALL TRANSMIT ALL  
16 MONEY RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS TO THE STATE  
17 TREASURER, WHO SHALL CREDIT THE MONEY TO THE FUND.

18 (8) (a) THE YOUTH FARE FREE TRANSIT GRANT PROGRAM FUND IS  
19 HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF  
20 MONEY TRANSFERRED TO THE FUND IN ACCORDANCE WITH SUBSECTION  
21 (8)(d) OF THIS SECTION, ANY OTHER MONEY THAT THE GENERAL ASSEMBLY  
22 APPROPRIATES OR TRANSFERS TO THE FUND, AND ANY GIFTS, GRANTS, OR  
23 DONATIONS CREDITED TO THE FUND PURSUANT TO SUBSECTION (7) OF THIS  
24 SECTION.

25 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
26 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE  
27 FUND TO THE FUND.

1 (c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
2 DEPARTMENT FOR THE PURPOSES SPECIFIED IN THIS SECTION.

3 (d) ON JULY 1, 2024, AND ON JULY 1 OF EACH YEAR THEREAFTER,  
4 THE STATE TREASURER SHALL TRANSFER SEVEN MILLION DOLLARS FROM  
5 THE GENERAL FUND TO THE FUND.

6 (9) ON OR BEFORE DECEMBER 31 OF EACH YEAR OF THE PROGRAM,  
7 THE DEPARTMENT SHALL SUBMIT A REPORT ON THE IMPLEMENTATION OF  
8 THE PROGRAM TO THE HOUSE OF REPRESENTATIVES TRANSPORTATION AND  
9 LOCAL GOVERNMENT COMMITTEE AND THE SENATE TRANSPORTATION AND  
10 ENERGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES. THE REPORT  
11 MUST SUMMARIZE AND COMPILE THE INFORMATION SUBMITTED TO THE  
12 DEPARTMENT PURSUANT TO SUBSECTIONS (5)(a)(V) AND (5)(b)(II) OF THIS  
13 SECTION.

14 **SECTION 3.** In Colorado Revised Statutes, **repeal** 24-38.5-114.

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