

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

DRAFT
9/5/23

Bill 6

LLS NO. 24-0241.01 Nicole Myers x4326

INTERIM COMMITTEE BILL

Transportation Legislation Review Committee

BILL TOPIC: Cost Threshold For CDOT Pub Project Bidding Reqmnt

A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN THE MINIMUM DOLLAR AMOUNT OF**
102 **PUBLIC PROJECTS SUPERVISED BY THE DEPARTMENT OF**
103 **TRANSPORTATION THAT ARE SUBJECT TO THE "CONSTRUCTION**
104 **BIDDING FOR PUBLIC PROJECTS ACT".**

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. Under current law, the requirements of the "Construction Bidding for Public Projects Act" (act) apply to a public project supervised by the department of

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

transportation (CDOT) if the cost of the project is reasonably expected to exceed \$250,000 for any fiscal year.

The bill increases the expected minimum dollar amount of CDOT projects that are subject to the requirements of the act to \$350,000, and requires that the amount be adjusted annually by the rate of inflation rounded to the nearest \$1,000. As a result, the requirements of the act, including the requirement that CDOT prepare a bid estimate when it proposes to undertake a project itself rather than awarding the project to a contractor through competitive bidding, will apply to a CDOT project only if the cost of the project is reasonably expected to exceed \$350,000, annually adjusted for inflation, for any fiscal year.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-92-102, **amend**
3 (8)(c); and **add** (4.5) as follows:

4 **24-92-102. Definitions.** As used in this article 92, unless the
5 context otherwise requires:

6 (4.5) "INFLATION" MEANS THE ANNUAL PERCENTAGE CHANGE IN
7 THE UNITED STATES DEPARTMENT OF LABOR BUREAU OF LABOR
8 STATISTICS CONSUMER PRICE INDEX FOR DENVER-AURORA-LAKEWOOD
9 FOR ALL ITEMS PAID BY ALL URBAN CONSUMERS, OR ITS APPLICABLE
10 SUCCESSOR INDEX.

11 (8) (c) (I) "Public project" does not include any project under the
12 supervision of the department of transportation for which appropriation
13 or expenditure of funds may be reasonably expected not to exceed ~~two~~
14 THREE hundred fifty thousand dollars in the aggregate of any fiscal year.

15 (II) THE AMOUNT SPECIFIED IN SUBSECTION (8)(c)(I) OF THIS
16 SECTION MUST BE ANNUALLY ADJUSTED FOR INFLATION AND ROUNDED TO
17 THE NEAREST ONE THOUSAND DOLLARS.

18 **SECTION 2.** In Colorado Revised Statutes, 24-92-109, **amend**
19 (1) as follows:

1 **24-92-109. Agency of government to submit cost estimate.**

2 (1) Whenever an agency of government proposes to undertake the
3 construction of a public project, reasonably expected to cost in excess of
4 fifty thousand dollars by any means or method other than by a contract
5 awarded by competitive bid, it shall prepare and submit a cost estimate in
6 the same manner as other bidders; except that, for projects under the
7 supervision of the department of transportation undertaken by such means
8 or method, the department shall prepare and submit a cost estimate if the
9 cost of the project is reasonably expected to exceed ~~two~~ THREE hundred
10 fifty thousand dollars ADJUSTED ANNUALLY FOR INFLATION AND ROUNDED
11 TO THE NEAREST ONE THOUSAND DOLLARS. Cost estimates for projects
12 undertaken by the department of transportation that are reasonably
13 expected to cost more than one hundred fifty thousand dollars but not
14 more than ~~two~~ THREE hundred fifty thousand dollars ANNUALLY
15 ADJUSTED FOR INFLATION AND ROUNDED TO THE NEAREST ONE THOUSAND
16 DOLLARS, shall be submitted to the transportation commission on at least
17 a quarterly basis for its review and approval. An agency of government
18 itself may not undertake a proposed project unless it shows the lowest
19 cost estimate.

20 **SECTION 3.** In Colorado Revised Statutes, 24-92-116, **amend**

21 (1) introductory portion as follows:

22 **24-92-116. Department of transportation - reporting**

23 **requirements.** (1) The department of transportation shall annually
24 identify in a report to the transportation commission and to the
25 transportation legislation review committee of the general assembly all
26 highway maintenance projects for the reporting year costing more than
27 one hundred fifty thousand dollars but not more than ~~two~~ THREE hundred

1 fifty thousand dollars ADJUSTED ANNUALLY FOR INFLATION AND ROUNDED
2 TO THE NEAREST ONE THOUSAND DOLLARS that:

3 **SECTION 4. Act subject to petition - effective date -**
4 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
5 the expiration of the ninety-day period after final adjournment of the
6 general assembly; except that, if a referendum petition is filed pursuant
7 to section 1 (3) of article V of the state constitution against this act or an
8 item, section, or part of this act within such period, then the act, item,
9 section, or part will not take effect unless approved by the people at the
10 general election to be held in November 2024 and, in such case, will take
11 effect on the date of the official declaration of the vote thereon by the
12 governor.

13 (2) This act applies to any public project for which an invitation
14 for bids is made on or after the effective date of this act.