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Memorandum

Room 029 State Capitol, Denver, CO 80203-1784 Phone: (303) 866-3521 • Fax: (303) 866-3855 lcs.ga@state.co.us • leg.colorado.gov/lcs

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TO: Interested Persons

FROM: Katie Ruedebusch, Fiscal Analyst, 303-866-3001

April Bernard, Research Analyst, 303-866-4789

SUBJECT: Regional Transportation District Overview

Summary

This memorandum provides information on the Regional Transportation District (RTD). Information regarding RTD's statutory history, authority, board, budget, and service area is included below.

Regional Transportation District Overview

RTD overview. The General Assembly created RTD in 1969 to create, operate, and maintain a transit system in the RTD service area.¹ According to RTD, the General Assembly determined that public transit was a necessary component of the Denver metropolitan area's growth and that continued coordinated public sector involvement was needed. The original RTD board consisted of 21 taxpaying electors from:

- the City and County of Denver (10);
- Adams, Arapahoe, Jefferson, and Boulder Counties (2 each);
- Weld and Douglas Counties (1 each); and
- at-large (1).

As required by the original statute, within five years of RTD's creation, elections were held in all district counties to authorize RTD's authority to issue debt for mass transportation purposes.

RTD board of directors. In 1980, a citizen-initiated ballot measure changed the composition of RTD's board to its current structure, a 15-member board of directors. Directors are elected for four-year terms, and each director represents a district of approximately 175,000 residents. More information on RTD's current board of directors can be found here. State law gives RTD's board the power to enter into contracts, borrow and invest money, purchase and maintain property, and levy taxes. The

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¹Section 32-9-101, et seq., C.R.S.

board is also charged with setting RTD policy, adopting the annual budget, and establishing RTD's short- and long-term transit goals.

RTD budget. For 2019, RTD's total projected revenues are about \$1.2 billion. Of this revenue, approximately 54 percent came from a 1 percent sales and use tax within RTD's service area, and approximately 13 percent came from passenger fares. The remainder of the district's revenue came from grants, investment income, and various other sources. RTD currently employs around 2,890 individuals throughout the Denver metropolitan area. In addition, RTD works with approximately 1,600 private contractor employees. RTD's 2019 annual budget can be found here.

FasTracks. Voters in the district approved RTD's multi-billion dollar <u>FasTracks</u> program in 2004 to expand transit across the Denver metro region. This plan included 122 miles of new light and commuter rail and 18 miles of rapid transit bus service. FasTracks is funded through a combination of a voter-approved sales tax of 0.4 percent, public-private partnerships, and federal funding. As a result, <u>RTD's light and commuter rail system</u> is comprised of 10 rail lines and 71 stations, with future plans to expand service.

RTD Service Area

RTD currently serves 3.03 million people in 2,342 square miles of <u>service area</u>, including all or part of the following eight counties: Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, and Weld. Annually, RTD operates 43.8 million regular fixed-route service miles, with over 9,800 stops on 141 fixed routes.

Colorado law currently defines RTD's service area as the area that existed within the district as of July 1, 2007, along with additional area annexed to or included in the district after July 1, 2007.² The state allows additional RTD service area to be added through petition or election.

Incorporated or unincorporated areas may join RTD either through petition or election. Certain landowners may petition to join RTD's service area if they live in a contagious area along RTD's service areas and 100 percent of the landowners agree. For local governments or unincorporated counties, 8 percent of eligible electors or the board of county commissioners may request an election to include an area in RTD. Petitions for elections must be submitted at least 120 days before an election, and the RTD board must approve the election by a majority vote.

If any unincorporated area is entirely contained within RTD's service area, the district may pass a resolution to annex the territory into the district, subject to certain notice requirements, a public hearing, and vote of the RTD board.³ RTD must send the resolution to any local governments, special districts, and school districts in the unincorporated annexed territory, along with the executive director of the Colorado Department of Revenue.

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²Section 32-9-106.1 (1)(a)(I), C.R.S.

³Section 32-9-106.8 (1), C.R.S.

The annexation or inclusion of any area into RTD's service area is not effective until the RTD board updates the service area map and the Department of Revenue communicates with retailers in the new area.⁴

RTD Fare Structure

Table 1 below shows RTD's full price fares for various routes since 2002. Rates for discounted fares are not included. The last time RTD raised fares was in 2019.

Table 1
Regional Transportation District Fares

Year	Local Fare	Regional Fare	Express Fare	Airport Fare
2002	\$1.10	\$3.50	\$2.50	-
2003	\$1.15	\$3.50	\$2.50	-
2004	\$1.25	\$3.75	\$2.75	-
2005	\$1.25	\$3.75	\$2.75	-
2006	\$1.50	\$3.75	\$2.75	-
2007	\$1.50	\$3.75	\$2.75	-
2008	\$1.75	\$4.00	\$3.00	-
2009	\$2.00	\$4.50	\$3.50	-
2010	\$2.00	\$4.50	\$3.50	-
2011	\$2.25	\$5.00	\$4.00	-
2012	\$2.25	\$5.00	\$4.00	-
2013	\$2.25	\$5.00	\$4.00	-
2014	\$2.25	\$5.00	\$4.00	-
2015	\$2.60	\$4.50	-	\$9.00
2016	\$2.60	\$4.50	-	\$9.00
2017	\$2.60	\$4.50	-	\$9.00
2018	\$2.60	\$4.50	-	\$9.00
2019	\$3.00	\$5.25	-	\$10.50

Prepared by: Colorado Legislative Council Staff.

2019 fare increase. In 2018, a 25-member working group completed an evaluation of RTD's pass programs and drafted recommendations. The Fare Pass Working Group's recommendations included adding a low-income pass, which discounts fares by 40 percent for riders who have incomes at or below 185 percent of the Federal Poverty Level; and a youth pass, which discounts fares for riders who are 13 to 19 years old by 70 percent. The RTD board approved the recommendations made by the working group in September 2018, with fare changes occurring on January 1, 2019.

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⁴Section 32-9-106.1 (2)(e), C.R.S.

RTD Legislative History and Oversight

RTD is a statutorily created entity, similar to a special district. However, RTD is not a regional transportation authority, as it was created as a separate statutory political subdivision. Current law gives RTD's elected board wide authority to operate and maintain the transportation system within its district boundaries. The legislature plays a limited role in the administration of RTD. However, RTD is required to provide copies of its annual budget to the Transportation Legislation Review Committee, and other information, data, testimony, or audits as requested by the committee.

The General Assembly has introduced a number of bills to change the taxes and fees that RTD may collect, RTD's boundaries, the level of RTD services that must be provided by private companies, and the RTD board's composition and election requirements.

Table 2 outlines bills passed by the General Assembly that modified RTD's statutory authority.

Table 2
Bills Substantially Changing RTD Statutory Authority Since 2000

Category	Bill Number	Bill Description	
Taxes and Fees	SB 02-179	Increased the amount of sales tax that RTD can collect from 0.6 percent to 1.0 percent to fund FasTracks	
	SB 06-093	Allowed RTD the authority to charge a parking fee at park-n-rides	
	SB 07-088	Expanded RTD's authority to charge fees at park-n-rides	
	SB 09-108	Removed the 1.0 percent cap on sales tax that RTD can collect	
District Boundaries	HB 01-1132	Allowed RTD to unilaterally annex unincorporated territory completely surrounded by the district	
	HB 03-1070	Allowed RTD to annex an area if a majority of registered voters approve of the annexation	
	SB 05-182	Allowed special benefits to be awarded in eminent domain proceedings for RTD projects	
	HB 06-1338	Authorized the inclusion of counties, or portions of counties, if they request annexation	
	HB 07-1186	Authorized RTD to include incorporated areas of a county under certain requirements	
	HB 07-1295	Specified the geographic area of RTD, and required it to consist of all land within the district as of July 1, 2007	
Privatization of Services	HB 03-1103	Increased the percentage of RTD service that must be provided by private businesses from 35 percent to 50 percent	
	SB 07-251	Eliminated the minimum requirement for RTD to contract with private businesses, and authorized RTD to contract with private companies for up to 58 percent of services	

Prepared by: Colorado Legislative Council Staff.

Additionally, the General Assembly has considered a number of other changes under RTD's statutory authority that did not become law. These proposals have included various changes to the boundaries of RTD; various increases and decreases to the percentage of RTD services that must be provided by private businesses; and changes to the board's composition, elections, and campaign finance requirements.