

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

PREAMENDED

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

LLS NO. 20-1253.03 Jason Gelender x4330

HOUSE BILL 20-1376

HOUSE SPONSORSHIP

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House Committees

Transportation & Local Government
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE MODIFICATION OF TRANSPORTATION FUNDING**

102 **MECHANISMS, AND, IN CONNECTION THEREWITH, DELAYING**

103 **FROM THE NOVEMBER 2020 GENERAL ELECTION UNTIL THE**

104 **NOVEMBER 2021 STATEWIDE ELECTION THE REQUIREMENT**

105 **THAT A BALLOT ISSUE SEEKING APPROVAL FOR THE ISSUANCE OF**

106 **TRANSPORTATION REVENUE ANTICIPATION NOTES BE**

107 **SUBMITTED TO THE VOTERS OF THE STATE, AMENDING THE**

108 **BALLOT ISSUE TO REDUCE THE AMOUNT OF NOTES AUTHORIZED**

109 **TO BE ISSUED, ELIMINATING SPECIFIED SCHEDULED GENERAL**

110 **FUND TRANSFERS TO THE STATE HIGHWAY FUND, REDUCING THE**

111 **AMOUNT OF GENERAL FUND MONEY DEDICATED TO MAKE**

112 **LEASE-PURCHASE AGREEMENT PAYMENTS DUE DURING STATE**

113 **FISCAL YEARS 2020-21 AND 2021-22, REPEALING DEPARTMENT**

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

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/>.)

Joint Budget Committee. Current law, enacted by Senate Bills 18-001 and 19-263, requires that a ballot issue seeking approval for the issuance of transportation revenue anticipation notes (TRANs) be submitted to the voters of the state at the November 2020 general election. If the ballot issue is approved, the requirement, enacted by Senate Bill 17-267, that the state execute 2 separate tranches of up to \$500 million each of lease-purchase agreements in state fiscal years 2020-21 and 2021-22 for the purpose of funding transportation, will be repealed. Current law, enacted by Senate Bill 19-239, also requires department of transportation (CDOT) rule-making and reporting relating to motor vehicles used for certain types of commercial purposes. The bill:

- ! Delays from the November 2020 general election to the November 2021 statewide election the requirement that a ballot issue seeking approval for the issuance of transportation revenue anticipation notes (TRANs) be submitted to the voters of the state;
- ! Amends the ballot issue to reduce the amount of TRANs authorized to be issued by \$500 million to offset the additional \$500 million of lease-purchase agreement transportation funding that becomes available because the approval of the ballot issue at the November 2020 general election will repeal only the state fiscal year 2021-22 and tranche of Senate Bill 17-267 lease-purchase agreements, rather than both the state fiscal year 2020-21 and 2021-22 tranches of such lease-purchase agreements;
- ! Eliminates 2 statutory transfers of \$50 million each from the general fund to the state highway fund that are scheduled under current law to be made on June 30, 2021, and June 30, 2022;
- ! Reduces the amount of general fund money dedicated to

make lease-purchase agreement payments due in state fiscal years 2020-21 and 2021-22 by \$12 million per year by increasing the amount of such payment to be paid by the department of transportation from its other sources of legally available money by \$12 million per year; and

! Repeals the CDOT rule-making and reporting requirements relating to motor vehicles used for certain types of commercial purposes.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-75-219, **amend**
3 (5)(c) introductory portion, (5)(c)(III)(A), (5)(c)(III)(C), (5)(c)(III)(D),
4 (5)(c)(IV)(A), (5)(c)(IV)(C), (5)(c)(IV)(D), (5)(d)(II)(B), and (5)(d)(III)
5 as follows:

6 **24-75-219. Transfers - transportation - capital construction -**
7 **definitions - repeal.** (5) (c) The state treasurer shall transfer fifty million
8 dollars from the general fund to the state highway fund on June 30, 2020.
9 Except as otherwise provided in subsection (5)(d) of this section and
10 section 43-4-714 (2)(a), on ~~June 30, 2021~~ JUNE 30, 2023, and on each
11 succeeding June 30 through June 30, 2040, the state treasurer shall
12 transfer money from the general fund to the state highway fund as
13 follows:

14 (III) (A) If a ballot issue that authorizes the state to issue
15 transportation revenue anticipation notes is submitted to the registered
16 electors of the state for their approval or rejection at the ~~November 2020~~
17 general NOVEMBER 2021 STATEWIDE election pursuant to section
18 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue
19 vote "No/Against", fifty million dollars;

20 (C) This subsection (5)(c)(III) is repealed, effective ~~January 1,~~
21 2021 JANUARY 1, 2022, if a ballot issue that authorizes the state to issue

1 transportation revenue anticipation notes is submitted to the registered
2 electors of the state for their approval or rejection at the ~~November 2020~~
3 ~~general~~ NOVEMBER 2021 STATEWIDE election pursuant to section
4 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue
5 vote "Yes/For";

6 (D) This subsection (5)(c)(III)(D) and subsection (5)(c)(III)(C) of
7 this section are repealed, effective ~~January 1, 2021~~ JANUARY 1, 2022, if
8 a ballot issue that authorizes the state to issue transportation revenue
9 anticipation notes is submitted to the registered electors of the state for
10 their approval or rejection at the ~~November 2020~~ ~~general~~ NOVEMBER
11 2021 STATEWIDE election pursuant to section 43-4-705 (13)(b) and a
12 majority of the electors voting on the ballot issue vote "No/Against"; or

13 (IV) (A) If a ballot issue that authorizes the state to issue
14 transportation revenue anticipation notes is submitted to the registered
15 electors of the state for their approval or rejection at the ~~November 2020~~
16 ~~general~~ NOVEMBER 2021 STATEWIDE election pursuant to section
17 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue
18 vote "Yes/For", ~~ninety-two~~ SEVENTY-NINE million five hundred thousand
19 dollars;

20 (C) This subsection (5)(c)(IV) is repealed, effective ~~January 1,~~
21 ~~2021~~ JANUARY 1, 2022, if a ballot issue that authorizes the state to issue
22 transportation revenue anticipation notes is submitted to the registered
23 electors of the state for their approval or rejection at the ~~November 2020~~
24 ~~general~~ NOVEMBER 2021 STATEWIDE election pursuant to section
25 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue
26 vote "No/Against";

27 (D) This subsection (5)(c)(IV)(D) and subsection (5)(c)(IV)(C) of

1 this section are repealed, effective ~~January 1, 2021~~ JANUARY 1, 2022, if
2 a ballot issue that authorizes the state to issue transportation revenue
3 anticipation notes is submitted to the registered electors of the state for
4 their approval or rejection at the ~~November 2020~~ general NOVEMBER
5 2021 STATEWIDE election pursuant to section 43-4-705 (13)(b) and a
6 majority of the electors voting on the ballot issue vote "Yes/For"; or

7 (d) (II) This subsection (5)(d) is repealed:

8 (B) Effective ~~January 1, 2021~~ JANUARY 1, 2022, if a ballot issue
9 that authorizes the state to issue transportation revenue anticipation notes
10 is submitted to the registered electors of the state for their approval or
11 rejection at the ~~November 2020~~ general NOVEMBER 2021 STATEWIDE
12 election pursuant to section 43-4-705 (13)(b) and a majority of the
13 electors voting on the ballot issue vote "No/Against".

14 (III) This subsection (5)(d)(III) and subsection (5)(d)(II) of this
15 section are repealed, effective ~~January 1, 2021~~ JANUARY 1, 2022, if a
16 ballot issue that authorizes the state to issue transportation revenue
17 anticipation notes is submitted to the registered electors of the state for
18 their approval or rejection at the ~~November 2020~~ general NOVEMBER
19 2021 STATEWIDE election pursuant to section 43-4-705 (13)(b) and a
20 majority of the electors voting on the ballot issue vote "Yes/For".

21 **SECTION 2.** In Colorado Revised Statutes, 24-82-1303, **amend**
22 **as it is effective until a ballot issue is proclaimed by the governor**
23 (2)(d)(II) as follows:

24 **24-82-1303. Lease-purchase agreements for capital**
25 **construction and transportation projects.** (2) (d) Any lease-purchase
26 agreement executed as required by subsection (2)(a) of this section shall
27 provide that all of the obligations of the state under the agreement are

1 subject to the action of the general assembly in annually making money
2 available for all payments thereunder. Payments under any lease-purchase
3 agreement must be made, subject to annual allocation pursuant to section
4 43-1-113 by the transportation commission created in section 43-1-106
5 (1) or subject to annual appropriation by the general assembly, as
6 applicable, from the following sources of money:

7 (II) Next, fifty million dollars annually, or any lesser amount that
8 is sufficient to make each full payment due, shall be paid from any legally
9 available money under the control of the transportation commission solely
10 for the purpose of allowing the construction, supervision, and
11 maintenance of state highways to be funded with the proceeds of
12 lease-purchase agreements as specified in subsection (4)(b) of this section
13 and section 43-4-206 (1)(b)(V); EXCEPT THAT, FOR PAYMENTS DUE
14 DURING STATE FISCAL YEARS 2020-21 AND 2021-22, SIXTY-TWO MILLION
15 DOLLARS ANNUALLY, OR ANY LESSER AMOUNT THAT IS SUFFICIENT TO
16 MAKE EACH FULL PAYMENT DUE SHALL BE PAID FROM SUCH LEGALLY
17 AVAILABLE MONEY FOR SAID PURPOSE; and

18 **SECTION 3.** In Colorado Revised Statutes, 24-82-1303, **amend**
19 **as they will become effective only if a ballot issue is proclaimed by the**
20 **governor (2)(b) and (2)(d)(II); and repeal as they will become effective**
21 **only if a ballot issue is proclaimed by the governor (2)(a)(I) and**
22 **(2)(a)(II), as follows:**

23 **24-82-1303. Lease-purchase agreements for capital**
24 **construction and transportation projects.** (2) (a) Notwithstanding the
25 provisions of sections 24-82-102 (1)(b) and 24-82-801, and pursuant to
26 section 24-36-121, no sooner than July 1, 2018, the state, acting by and
27 through the state treasurer, shall execute lease-purchase agreements, each

1 for no more than twenty years of annual payments, for the projects
2 described in subsection (4) of this section. The state shall execute the
3 lease-purchase agreements as soon as possible after July 1 of the
4 applicable state fiscal year only in accordance with the following
5 schedule:

6 (I) ~~During the 2018-19 state fiscal year in an amount up to five~~
7 ~~hundred million dollars; and~~

8 (II) ~~During the 2019-20 state fiscal year, in an amount up to five~~
9 ~~hundred million dollars.~~

10 (b) The anticipated annual state-funded payments for the principal
11 and interest components of the amount payable under all lease-purchase
12 agreements entered into pursuant to subsection (2)(a) of this section shall
13 not exceed ~~seventy-five~~ ONE HUNDRED TWELVE million FIVE HUNDRED
14 THOUSAND dollars.

15 (d) Any lease-purchase agreement executed as required by
16 subsection (2)(a) of this section shall provide that all of the obligations of
17 the state under the agreement are subject to the action of the general
18 assembly in annually making money available for all payments
19 thereunder. Payments under any lease-purchase agreement must be made,
20 subject to annual allocation pursuant to section 43-1-113 by the
21 transportation commission created in section 43-1-106 (1) or subject to
22 annual appropriation by the general assembly, as applicable, from the
23 following sources of money:

24 (II) Next, for state fiscal year ~~2020-21~~ YEAR 2021-22 and for each
25 succeeding state fiscal year for which a payment under any lease-purchase
26 agreement must be made, ~~fourteen~~ THIRTY-SIX million ~~five~~ SEVEN
27 hundred thousand dollars annually, or any lesser amount that is sufficient

1 to make each full payment due, shall be paid from any legally available
2 money under the control of the transportation commission solely for the
3 purpose of allowing the construction, supervision, and maintenance of
4 state highways to be funded with the proceeds of lease-purchase
5 agreements as specified in subsection (4)(b) of this section and section
6 43-4-206 (1)(b)(V); EXCEPT THAT, FOR THE PAYMENT DUE DURING STATE
7 FISCAL YEAR 2021-22 ONLY, FORTY-EIGHT MILLION SEVEN HUNDRED
8 THOUSAND DOLLARS, OR ANY LESSER AMOUNT THAT IS SUFFICIENT TO
9 MAKE THE FULL PAYMENT DUE SHALL BE PAID FROM SUCH LEGALLY
10 AVAILABLE MONEY FOR SAID PURPOSE; and

11 **SECTION 4.** In Colorado Revised Statutes, 43-1-125, **repeal**
12 (2)(b) and (7) as follows:

13 **43-1-125. Motor vehicles used for commercial purposes -**
14 **stakeholder group - reporting - rules - legislative declaration -**
15 **definition.** (2) The general assembly further finds and declares that it is
16 necessary, appropriate, and in the best interest of the state to:

17 (b) ~~Authorize the department to promulgate rules that implement~~
18 ~~stakeholder group and legislative recommendations.~~

19 (7) (a) ~~No later than October 1, 2020, within any statutory~~
20 ~~parameters established by the general assembly through legislation~~
21 ~~enacted during the 2020 legislative session, and continuing to give strong~~
22 ~~consideration to the policy recommendations report provided by the~~
23 ~~stakeholder group as required by subsection (5)(b) of this section, the~~
24 ~~department shall promulgate rules to the extent necessary to effectively~~
25 ~~implement this section. If the general assembly does not impose fees on~~
26 ~~motor vehicles used for commercial purposes through legislation enacted~~
27 ~~during the 2020 legislative session and instead enacts legislation that~~

1 authorizes the department or any enterprise of the department to impose
2 such fees, the rules may impose fees to the extent authorized by the
3 legislation.

4 (b) During the 2020 legislative interim, the department shall
5 present a final written report regarding the stakeholder group and
6 rule-making processes and any rules promulgated pursuant to subsection
7 (7)(a) of this section to the transportation legislation review committee
8 created in section 43-2-145.

9 **SECTION 5.** In Colorado Revised Statutes, 43-4-705, **amend**
10 (13)(b)(I), (13)(b)(III), (13)(b)(IV), (13)(b)(V)(B), and (13)(b)(V)(C) as
11 follows:

12 **43-4-705. Revenue anticipation notes - ballot issue - repeal.**
13 (13) (b) (I) Subject to voter approval of the ballot issue submitted at the
14 ~~November 2020 general~~ NOVEMBER 2021 STATEWIDE election pursuant
15 to subsection (13)(b)(III) of this section and the repayment funding
16 commitment requirement specified in subsection (13)(b)(II) of this
17 section, the executive director shall issue additional transportation
18 revenue anticipation notes in a maximum amount of one billion ~~eight~~
19 THREE hundred thirty-seven million dollars and with a maximum
20 repayment cost of ~~two~~ ONE billion ~~five~~ EIGHT hundred ~~sixty~~ SIXTY-FIVE
21 million dollars. The maximum repayment term for any notes issued
22 pursuant to this subsection (13)(b) is twenty years, and the certificate,
23 trust indenture, or other instrument authorizing their issuance shall
24 provide that the state may pay the notes in full without penalty no later
25 than ten years following the date of issuance.

26 (III) The secretary of state shall submit to the registered electors
27 of the state for their approval or rejection at the ~~November 2020 general~~

1 NOVEMBER 2021 STATEWIDE election the following ballot issue: "Shall
2 state of Colorado debt be ~~increased \$1,837,000,000~~ INCREASED
3 \$1,337,000,000, with a maximum repayment cost of ~~\$2,560,000,000~~ OF
4 \$1,865,000,000, without raising taxes, through the issuance of
5 transportation revenue anticipation notes for the purpose of addressing
6 critical priority transportation needs in the state by financing
7 transportation projects, shall note proceeds and investment earnings on
8 note proceeds be excluded from state fiscal year spending limits, and shall
9 the amount of lease-purchase agreements required by current law to be
10 issued for the purpose of financing transportation projects be reduced?"

11 (IV) No later than ~~May 1, 2020~~ MAY 1, 2021, the department shall
12 provide to the director of research of the legislative council the most
13 recent available list of qualified federal aid transportation projects,
14 including multimodal capital projects, that are designated for tier 1
15 funding as ten-year development program projects on the ~~department's~~
16 ~~2020~~ DEPARTMENT'S 2021 development program project list and that the
17 department will fund with proceeds of any transportation revenue
18 anticipation notes issued as authorized by this subsection (13)(b). In order
19 to fully inform the voters of the state concerning the projects to be funded
20 with proceeds of any such additional transportation revenue anticipation
21 notes before the voters vote on the ballot question specified in subsection
22 (13)(b)(III) of this section, the director of research shall publish the list,
23 including any subsequent updates to the list made before final approval
24 by the legislative council of ~~the 2020~~ THE 2021 ballot information booklet
25 prepared pursuant to section 1-40-124.5, which updates the department
26 shall expeditiously provide to the director of research, in the ballot
27 information booklet.

(V) (B) This subsection (13)(b) is repealed, effective ~~January 1, 2021~~ JANUARY 1, 2022, if a majority of the electors voting on the ballot issue in subsection (13)(b)(III) of this section vote "No/Against".

(C) This subsection (13)(b)(V) is repealed, effective ~~January 1, 2021~~ JANUARY 1, 2022, if a majority of the electors voting on the ballot issue in subsection (13)(b)(III) of this section vote "Yes/For".

SECTION 6. In Colorado Revised Statutes, 43-4-714, amend (2)(a) and (3) as follows:

9 **43-4-714. Use of note proceeds - repeal.** (2) (a) The
10 transportation revenue anticipation notes reserve account is hereby
11 created in the state highway fund. The state treasurer shall credit a portion
12 of the money transferred from the general fund to the state highway fund
13 pursuant to section 24-75-219 (5)(c)(IV)(A) to the reserve account as
14 follows:

21 (3) (a) This section is repealed:

22 (I) (Deleted by amendment, L. 2019.)

1 electors voting on the ballot issue vote "No/Against".

2 (b) This subsection (3) is repealed, effective ~~January 1, 2021~~
3 JANUARY 1, 2022, if a ballot issue that authorizes the state to issue
4 transportation revenue anticipation notes is submitted to the registered
5 electors of the state for their approval or rejection at the ~~November 2020~~
6 ~~general~~ NOVEMBER 2021 STATEWIDE election pursuant to section
7 43-4-705 (13)(b) and a majority of the electors voting on the ballot issue
8 vote "Yes/For".

9 **SECTION 7. Appropriation - adjustments to 2020 long bill.**

10 (1) To implement this act, appropriations made in the annual general
11 appropriation act to the department of treasury for S.B. 17-267
12 collateralization lease purchase payments for the 2020-21 state fiscal year
13 are adjusted as follows:

14 (a) The general fund appropriation is decreased by \$12,000,000;
15 and

16 (b) The cash funds appropriation from various cash funds under
17 the control of the transportation commission pursuant to Section
18 24-82-1303 (2)(d)(II), C.R.S., is increased by \$12,000,000.

19 **SECTION 8. Safety clause.** The general assembly hereby finds,
20 determines, and declares that this act is necessary for the immediate
21 preservation of the public peace, health, or safety.