HOUSE COMMITTEE OF REFERENCE REPORT

	February 2, 2023
Chair of Committee	Date

Committee on Energy & Environment.

After consideration on the merits, the Committee recommends the following:

HB23-1101 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

Amend printed bill, page 2, after line 1 insert:

"SECTION 1. Legislative declaration. (1) The general assembly finds and declares that transit systems, including those maintained by regional transportation authorities, are essential to the health and welfare of the citizens of the state because:

- (a) Ridership of transit systems decreases the number of automobiles on state highways and other roadways within the state, resulting in reductions in both harmful emissions and traffic-related problems caused by such automobiles; and
- (b) The complexity of modern transit systems necessitates long-term planning for such systems, which in turn requires that transit agencies, including regional transportation authorities, possess tools to provide the funding necessary to maintain and expand such systems.
- (2) The general assembly further finds and declares that current funding options available to regional transportation authorities are inadequate and can be enhanced to provide for current and future funding need because:
- (a) Current law authorizes a regional transportation authority to seek voter approval for a uniform mill levy of up to 5 mills on all taxable property within its territory, but the authorization to seek such voter approval is scheduled to sunset as of January 1, 2029, leaving regional transportation authorities without the ability after that date to present voters with the choice to empower the authority to impose or increase this vital funding source; and
- (b) Current law also authorizes regional transportation authorities to seek voter approval for a sales or use tax, or both, upon every transaction or other incident with respect to which a sales or use tax is

levied by the state, but limits the maximum rate of the tax for which such voter approval may be sought to one percent, thereby potentially preventing regional transportation authorities from imposing a higher rate that may nevertheless be supported by voters.

- (3) It is the general assembly's intent, through the enactment of section 5 of this act, to preserve and enhance funding options for regional transportation authorities by enabling regional transportation authorities to:
- (a) Retain the authority to seek voter approval of a mill levy after January 1, 2029; and
- (b) Seek voter approval for a sales tax, use tax, or both, up to a rate of two percent.
- 4) Nothing in this section is intended to abridge or otherwise adversely impact the right or power of any regional transportation authority to continue to annually levy any mill levy, or to continue to levy any sales tax, use tax, or both, that was authorized by voter approval prior to the effective date of this act.".
- 18 Renumber succeeding sections accordingly.
- 19 Page 3, line 7, after "(4)" insert "(a)".

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- Page 3, strike line 13 and substitute "regional transportation district; EXCEPT THAT:
 - (I) IF THE OFFICE AWARDS A GRANT FOR A YEAR TO A TRANSIT ASSOCIATION IN AN AMOUNT LESS THAN THREE MILLION DOLLARS, THEN THE MAXIMUM AMOUNT OF THE GRANT THAT THE OFFICE MAY AWARD TO THE TRANSIT ASSOCIATION FOR THE NEXT YEAR IS THREE MILLION DOLLARS PLUS AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN THREE MILLION DOLLARS AND THE AMOUNT OF THE GRANT AWARDED TO THE TRANSIT ASSOCIATION FOR THE PRIOR YEAR; AND
- 29 (II) IF THE OFFICE AWARDS A GRANT FOR A YEAR TO THE REGIONAL 30 TRANSPORTATION DISTRICT IN AN AMOUNT LESS THAN ELEVEN MILLION 31 DOLLARS, THEN THE MAXIMUM AMOUNT OF THE GRANT THAT THE OFFICE 32 MAY AWARD TO THE REGIONAL TRANSPORTATION DISTRICT FOR THE NEXT 33 YEAR IS ELEVEN MILLION DOLLARS PLUS AN AMOUNT EQUAL TO THE 34 DIFFERENCE BETWEEN ELEVEN MILLION DOLLARS AND THE AMOUNT OF 35 THE GRANT AWARDED TO THE REGIONAL TRANSPORTATION DISTRICT FOR 36 THE PRIOR YEAR.
 - (b) A TRANSIT ASSOCIATION, THE REGIONAL".
- 38 Page 6, after line 20 insert:

"SECTION 5. In Colorado Revised Statutes, 43-4-605, amend (1)(j)(I); and repeal (1)(j.5)(II) as follows:

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43-4-605. Powers of the authority - inclusion or exclusion of property - determination of regional transportation system alignment - fund created - repeal. (1) In addition to any other powers granted to an authority pursuant to this part 6, an authority has the following powers:

(j) (I) Subject to the provisions of section 43-4-612, to levy, in all or any designated portion of the members of the combination or of the members of the transportation planning organization exercising the powers of an authority as authorized by section 43-4-622, a sales or use tax, or both, at a rate not to exceed one TWO percent upon every transaction or other incident with respect to which a sales or use tax is levied by the state; except that, if the authority includes territory that is within the regional transportation district created and existing pursuant to article 9 of title 32, a designated portion of the members of the combination or of the members of the transportation planning organization in which a new tax is levied must be composed of entire territories of members of the combination or of the members of the transportation planning organization so that the rate of tax imposed pursuant to this part 6 within the territory of any single member of the combination or of the members of the transportation planning organization is uniform and except that the authority shall not levy a sales or use tax on any transaction or other incident occurring in any territory located outside the boundaries of the authority and within the boundaries of a municipality as the boundaries of the municipality exist on the date the authority is created without the consent of the governing body of the municipality or outside the boundaries of the authority and within the unincorporated boundaries of a county as the unincorporated boundaries exist on the date the authority is created without the consent of the governing body of the county. Subject to the provisions of section 43-4-612, the authority may elect to levy any such sales or use tax at different rates in different designated portions of the members of the combination or of the members of the transportation planning organization; except that, if the authority includes territory that is within the regional transportation district, a designated portion of the members of the combination or of the members of the transportation planning organization in which a new tax is levied must be composed of entire territories of members of the combination or of the members of the transportation planning organization so that the rate of tax imposed pursuant to this part 6 within the territory of any single member of the combination or of the transportation planning organization is uniform. If the authority so elects, it shall submit a single ballot question that lists all of the different rates to the registered electors of all designated portions

of the members of the combination or of the transportation planning organization in which the proposed sales or use tax is to be levied. The tax imposed pursuant to this subsection (1)(j) is in addition to any other sales or use tax imposed pursuant to law. If a member of the combination or of the transportation planning organization is located within more than one authority, the sales or use tax, or both, authorized by this subsection (1)(j) shall not exceed one TWO percent upon every transaction or other incident with respect to which a sales or use tax is levied by the state. The executive director of the department of revenue shall collect, administer, and enforce the sales or use tax, to the extent feasible, in the manner provided in section 29-2-106. The director shall make monthly distributions of the tax collections to the authority, which shall apply the proceeds solely to the financing, construction, operation, or maintenance of regional transportation systems. The department shall retain an amount not to exceed the total cost of the collection, administration, and enforcement and shall transmit the amount to the state treasurer, who shall credit the same to the regional transportation authority sales tax fund, which fund is hereby created. The amounts so retained are hereby appropriated annually from the fund to the department to the extent necessary for the department's collection, administration, and enforcement of this part 6. Any money remaining in the fund attributable to taxes collected in the prior fiscal year shall be transmitted to the authority; except that, prior to the transmission to the authority of such money, any money appropriated from the general fund to the department for the collection, administration, and enforcement of the tax for the prior fiscal year shall be repaid.

27 (j.5) (II) This subsection (1)(j.5) is repealed, effective January 1, 28 2029.".

29 Renumber succeeding section accordingly.

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