

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 17-0789.01 Jason Gelender x4330

SENATE BILL 17-205

SENATE SPONSORSHIP

Kefalas, Aguilar, Merrifield, Moreno

HOUSE SPONSORSHIP

Rosenthal, Ginal

Senate Committees

Transportation

House Committees

A BILL FOR AN ACT

101 CONCERNING MULTIMODAL TRANSPORTATION INFRASTRUCTURE
102 FUNDING, AND, IN CONNECTION THEREWITH, REQUIRING THE
103 TRANSPORTATION COMMISSION TO SUBMIT A BALLOT QUESTION
104 TO THE VOTERS OF THE STATE AT THE NOVEMBER 2017, 2018,
105 OR 2019 ELECTION, WHICH, IF APPROVED, WOULD AUTHORIZE
106 THE STATE TO INCREASE THE RATE OF THE STATE SALES AND USE
107 TAXES FROM TWO AND NINE-TENTHS PERCENT TO THREE AND
108 FIFTEEN ONE-HUNDREDTHS PERCENT AND TO ISSUE ADDITIONAL
109 TRANSPORTATION REVENUE ANTICIPATION NOTES FOR THE
110 PURPOSE OF ADDRESSING CRITICAL PRIORITY MULTIMODAL
111 TRANSPORTATION NEEDS IN THE STATE BY FINANCING
112 TRANSPORTATION PROJECTS, INCLUDING PASSENGER RAIL, AND
113 WOULD EXCLUDE THE ADDITIONAL SALES AND USE TAX REVENUE

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

101
102

AND NOTE PROCEEDS AND INVESTMENT EARNINGS ON NOTE
PROCEEDS FROM STATE FISCAL YEAR SPENDING LIMITS.

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>.)

In 1999, the voters of the state authorized the executive director of the department of transportation (CDOT) to issue transportation revenue anticipation notes (TRANs) in a maximum principal amount of \$1.7 billion and with a maximum repayment cost of \$2.3 billion in order to provide financing to accelerate the construction of qualified federal aid transportation projects. The executive director of CDOT issued the TRANs as authorized. The final payments of principal and interest on the TRANs will be made during fiscal year 2016-17, which will make available for expenditure for transportation-related purposes only revenues dedicated for transportation by federal law, the state constitution, and state law that the state has been using to make principal and interest payments on the TRANs.

Section 9 requires the state transportation commission to submit a ballot question to the voters of the state at the November 2017, 2018, or 2019 election, which, if approved, would increase the state sales and use tax from 2.9% to 3.15%, beginning on the July 1 immediately following the applicable election and would authorize the executive director of CDOT to issue additional TRANs in a maximum principal amount of \$4 billion and with a maximum repayment cost of \$5.75 billion. If the voters approve the ballot question, **sections 3, 4, 5, and 7** implement the increase in the state sales and use tax rate. The additional TRANs must have a maximum repayment term of 20 years, and the certificate, trust indenture, or other instrument authorizing their issuance must provide that the state may pay them in full before the end of the specified payment term without penalty. Additional TRANs must otherwise generally be issued subject to the same requirements and for the same purposes as the original TRANs; except that the transportation commission must pledge to annually allocate from legally available money under its control any money needed for payment of the notes in excess of amounts appropriated by the general assembly from the state highway fund for payment of the notes as authorized by **section 5** until the notes are fully repaid.

Section 10 specifies that at least \$500 million of TRANs proceeds shall be used only for passenger rail service in the interstate 25 corridor

and that remaining TRANs proceeds shall be used only to fund projects on CDOT's priority list for transportation funding. Section 10 also specifies additional transportation project contract award process requirements and limitations for a project to be funded in whole or in part with proceeds of additional TRANs.

Sections 6 and 8 require all state sales and use tax net revenue that is attributable to any increase in the state sales and use tax rate resulting from the approval of the ballot question submitted pursuant to section 9 to be credited to the HUTF, paid from the HUTF to the state highway fund for use, subject to annual appropriation by the general assembly, for payment of TRANs and, to the extent not used for that purpose, state transportation projects.

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

2 **SECTION 1. Short title.** The short title of this act is the "Build
3 a Multimodal Transportation System Act".

4 **SECTION 2. Legislative declaration.** (1) The general assembly
5 hereby finds and declares that:

6 (a) Colorado's population is expected to increase to over seven
7 million three hundred thousand in 2030, and much of this growth will
8 occur in the interstate 25 and interstate 70 corridors;

9 (b) Population growth has significantly increased traffic and
10 congestion in the interstate 25 and interstate 70 corridors and will
11 continue to do so in the future, causing longer travel times, increasing air
12 pollution, decreasing Coloradans' access to recreational opportunities, and
13 accelerating the deterioration of Colorado's transportation infrastructure;

14 (c) The growth of the economy of this state has prompted new and
15 ever-increasing uses of public highways, roads, and other transportation
16 infrastructure, and the existing transportation infrastructure of this state
17 cannot accommodate such greatly increased uses;

18 (d) In order to preserve and improve Colorado's economic
19 prosperity and quality of life, it is necessary to develop and maintain a

1 modern, efficient, and cost-effective multimodal transportation system
2 that can move people, goods, and information without undue delays or
3 environmental consequences;

4 (e) By providing another alternative to cars and trucks for
5 commuters and other travelers, the development and extension of
6 passenger rail service in the interstate 25 corridor will reduce traffic
7 congestion, travel times, motor vehicle emissions, and wear and tear on
8 state highways and will be an integral part of a modern multimodal
9 transportation system that meets Colorado's needs;

10 (f) There is considerable community and grassroots support for
11 passenger rail service in the interstate 25 corridor; and

12 (g) It is necessary, appropriate, and in the best interest of the state
13 to specifically dedicate new funding as specified in this act for extending
14 passenger rail service in the interstate 25 corridor.

15 (2) The general assembly further finds and declares that:

16 (a) One of the major concerns of the citizens of this state is the
17 ability of the state and local governments to address the long-term
18 transportation infrastructure needs of this state that are critical to the
19 continued growth of the state's economy and the maintenance of citizens'
20 quality of life;

21 (b) The state has significantly decreased its contribution of general
22 state revenues available in recent years to fund critical priority
23 transportation infrastructure needs, and current transportation funding
24 mechanisms do not provide adequate revenues to keep pace with the
25 increasing demands on transportation infrastructure statewide;

26 (c) State and regional economically significant transportation
27 corridors, and their related congestion relief projects, are subject to

1 available appropriation while construction costs escalate and congestion
2 worsens;

3 (d) In 1999, the general assembly and the voters of the state
4 approved Referendum A, which authorized the state to issue
5 transportation revenue anticipation notes to accelerate the funding and
6 completion of twenty-eight strategic transportation projects in significant
7 corridors, including the T-REX project, the expansion and congestion
8 mitigation project for the interstate 25 corridor in the Denver metropolitan
9 area;

10 (e) The success of the 1999 transportation revenue anticipation
11 notes program shows that leveraging existing revenue is the most prudent
12 and cost-effective means to accelerate and deliver large scale and
13 economically significant transportation projects throughout Colorado;

14 (f) By utilizing revenue anticipation notes for the financing of
15 transportation projects that may be financed, in whole or in part, with
16 federal transportation funds, a significant amount of up-front revenue can
17 be generated for such federal aid transportation projects, which will
18 enable the state to design and construct such transportation projects
19 without using revenues available for other important transportation
20 projects;

21 (g) Utilizing revenue anticipation notes to finance federal aid
22 transportation projects also results in significant cost savings to the state,
23 since such transportation projects can be completed at present-day costs,
24 at current low borrowing rates, and at an accelerated pace, but the state
25 needs to be able to act quickly to issue revenue anticipation notes in order
26 to realize these cost savings;

27 (h) It is reasonable and necessary to utilize revenue anticipation

1 notes for the financing of federal aid transportation projects;

2 (i) Because robust multimodal transportation infrastructure
3 benefits all Coloradans, including Coloradans who do not drive, own, or
4 lease motor vehicles and do not pay the motor fuel taxes and vehicle
5 registration fees that generate the vast majority of dedicated funding for
6 transportation, it is appropriate and the intent of the general assembly to
7 use new dedicated transportation funding; and

8 (j) The issuance of new transportation revenue anticipation notes
9 will accelerate the funding and completion of up to four billion dollars in
10 prioritized highway and passenger rail projects in state and regional
11 economically significant transportation corridors throughout Colorado.
12 The projects will be identified by the Colorado department of
13 transportation and the transportation planning regions of the state to be of
14 highest priority, and economically significant, to the state of Colorado
15 and the regions in which they will be built.

16 **SECTION 3.** In Colorado Revised Statutes, 39-26-105, **amend**
17 (1)(a)(I)(A) as follows:

18 **39-26-105. Vendor liable for tax - repeal.** (1) (a) (I) (A) Except
19 as provided in ~~sub-subparagraph (B) of this subparagraph (I) and in~~
20 ~~subparagraph (H) of this paragraph (a)~~ SUBSECTIONS (1)(a)(I)(B) AND
21 (1)(a)(II) OF THIS SECTION, every retailer shall, irrespective of the
22 provisions of section 39-26-106, be liable and responsible for the
23 payment of an amount equivalent to two and ninety one-hundredths
24 percent of all sales made on or after January 1, 2001, by the retailer of
25 commodities or services as specified in section 39-26-104; EXCEPT THAT,
26 ON AND AFTER THE JULY 1 FOLLOWING THE EFFECTIVE DATE OF THIS
27 SUBSECTION (1)(a)(I)(A), AS AMENDED, EVERY RETAILER SHALL,

1 IRRESPECTIVE OF THE PROVISIONS OF SECTION 39-26-106, BE LIABLE AND
2 RESPONSIBLE FOR THE PAYMENT OF AN AMOUNT EQUIVALENT TO THREE
3 AND FIFTEEN ONE-HUNDREDTHS PERCENT OF ALL SALES MADE ON OR
4 AFTER THE JULY 1 FOLLOWING THE ELECTION.

5 **SECTION 4.** In Colorado Revised Statutes, 39-26-106, **amend**
6 (1)(a) as follows:

7 **39-26-106. Schedule of sales tax.** (1) (a) (I) Except as otherwise
8 provided in ~~subparagraph (H) of this paragraph (a)~~ SUBSECTION (1)(a)(II)
9 OF THIS SECTION, there is imposed upon all sales of commodities and
10 services specified in section 39-26-104 a tax at the rate of ~~three~~ TWO AND
11 NINE-TENTHS percent of the amount of the sale, to be computed in
12 accordance with schedules or systems approved by the executive director
13 of the department of revenue. ~~Said~~ THE schedules or systems shall be
14 designed so that no such tax is charged on any sale of seventeen cents or
15 less.

16 (II) ~~On and after January 1, 2001~~ ON AND AFTER THE JULY 1
17 FOLLOWING THE EFFECTIVE DATE OF THIS SUBSECTION (1)(a)(II), AS
18 AMENDED, IN ADDITION TO THE TAX IMPOSED UNDER SUBSECTION (1)(a)(I)
19 OF THIS SECTION, there is imposed upon all sales of commodities and
20 services specified in section 39-26-104 a tax at the rate of ~~two and ninety~~
21 ~~one-hundredths~~ ONE QUARTER OF ONE percent of the amount of the sale
22 to be computed in accordance with schedules or systems approved by the
23 executive director of the department of revenue. ~~Said~~ THE schedules or
24 systems shall be designed so that no such tax is charged on any sale of
25 seventeen cents or less.

26 **SECTION 5.** In Colorado Revised Statutes, **amend** 39-26-112 as
27 follows:

1 **39-26-112. Excess tax - remittance.** If any vendor, during any
2 reporting period, collects as a tax an amount in excess of ~~three percent of~~
3 ~~all taxable sales made prior to January 1, 2001, and two and ninety~~
4 ~~one-hundredths percent of all taxable sales made on or after January 1,~~
5 ~~2001, such~~ THREE AND FIFTEEN ONE-HUNDREDTHS PERCENT OF ALL
6 TAXABLE SALES MADE ON OR AFTER THE EFFECTIVE DATE OF THIS
7 SECTION, AS AMENDED, THE vendor shall remit to the executive director
8 of the department of revenue the full net amount of the tax imposed in
9 this part 1 and also ~~such~~ THE excess. The retention by the retailer or
10 vendor of any excess of tax collections over the ~~said~~ APPLICABLE
11 percentage of the total taxable sales of ~~such~~ THE retailer or vendor or the
12 intentional failure to remit punctually to the executive director the full
13 amount required to be remitted by the provisions of this part 1 is ~~declared~~
14 ~~to be~~ unlawful and constitutes a misdemeanor.

15 **SECTION 6.** In Colorado Revised Statutes, 39-26-123, **amend**
16 (3); and **add** (3.2) as follows:

17 **39-26-123. Receipts - disposition - transfers of general fund**
18 **surplus - sales tax holding fund - creation - definitions.** (3) EXCEPT AS
19 OTHERWISE PROVIDED IN SUBSECTION (3.2)(a) OF THIS SECTION, for any
20 state fiscal year commencing on or after July 1, 2013, the state treasurer
21 shall credit eighty-five percent of all net revenue collected under the
22 provisions of this ~~article~~ ARTICLE 26 to the old age pension fund created
23 in section 1 of article XXIV of the state constitution. The state treasurer
24 shall credit to the general fund the remaining fifteen percent of the net
25 revenue, less ten million dollars, which the state treasurer shall credit to
26 the older Coloradans cash fund created in section 26-11-205.5 (5). ~~C.R.S.~~

27 (3.2) (a) THE STATE TREASURER SHALL CREDIT NET REVENUE

1 COLLECTED UNDER THIS ARTICLE 26 THAT IS ATTRIBUTABLE TO ANY
2 ADDITIONAL SALES AND USE TAXES LEVIED PURSUANT TO SECTIONS
3 39-26-106 (1)(a)(II) AND 39-26-202 (1)(b)(II) TO THE HIGHWAY USERS
4 TAX FUND CREATED IN SECTION 43-4-201.

5 (b) ANY MONEY CREDITED TO THE HIGHWAY USERS TAX FUND
6 CREATED IN SECTION 43-4-201 IN ACCORDANCE WITH SUBSECTION (3.2)(a)
7 OF THIS SECTION IS PAID TO THE STATE HIGHWAY FUND FOR ALLOCATION
8 TO THE DEPARTMENT OF TRANSPORTATION. THE DEPARTMENT SHALL
9 EXPEND THE MONEY FIRST TO MAKE PAYMENTS ON REVENUE
10 ANTICIPATION NOTES ISSUED PURSUANT TO SECTION 43-4-705 (13)(b). THE
11 DEPARTMENT SHALL EXPEND ANY OF THE MONEY NOT NEEDED TO MAKE
12 PAYMENTS ON REVENUE ANTICIPATION NOTES AS PROVIDED IN SECTION
13 43-4-206 (2).

14 **SECTION 7.** In Colorado Revised Statutes, 39-26-202, **amend**
15 (1)(b); and **repeal** (2) as follows:

16 **39-26-202. Authorization of tax.** (1) (b) (I) EXCEPT AS
17 OTHERWISE PROVIDED IN SUBSECTION (1)(b)(II) OF THIS SECTION, on and
18 after January 1, 2001, there is imposed and shall be collected from every
19 person in this state a tax or excise at the rate of two and ninety
20 one-hundredths percent of storage or acquisition charges or costs for the
21 privilege of storing, using, or consuming in this state any articles of
22 tangible personal property purchased at retail.

23 (II) ON AND AFTER THE JULY 1 FOLLOWING THE EFFECTIVE DATE
24 OF THIS SUBSECTION (1)(b)(II), AS AMENDED, IN ADDITION TO THE TAX
25 IMPOSED UNDER SUBSECTION (1)(b)(I) OF THIS SECTION, THERE IS IMPOSED
26 AND SHALL BE COLLECTED FROM EVERY PERSON IN THIS STATE A TAX OR
27 EXCISE AT THE RATE OF ONE QUARTER OF ONE PERCENT OF STORAGE OR

1 ACQUISITION CHARGES OR COSTS FOR THE PRIVILEGE OF STORING, USING,
2 OR CONSUMING IN THIS STATE ANY ARTICLES OF TANGIBLE PERSONAL
3 PROPERTY PURCHASED AT RETAIL.

4 (2) ~~Notwithstanding the three percent rate provisions of~~
5 ~~subsection (1) of this section, for the period May 1, 1983, through July~~
6 ~~31, 1984, the rate of the tax imposed pursuant to this section shall be three~~
7 ~~and one-half percent.~~

8 **SECTION 8.** In Colorado Revised Statutes, 43-4-206, **amend**
9 (2)(a) introductory portion and (2)(a)(I); and **add** (2)(a)(III) as follows:

10 **43-4-206. State allocation - repeal.** (2) (a) Notwithstanding the
11 provisions of subsection (1) of this section, the ~~revenues~~ REVENUE
12 accrued to and transferred to the highway users tax fund pursuant to
13 section 39-26-123 (4)(a) or 24-75-219 C.R.S., ~~or appropriated to the~~
14 ~~highway users tax fund pursuant to House Bill 02-1389, enacted at the~~
15 ~~second regular session of the sixty-third general assembly, and credited~~
16 ~~to the state highway fund pursuant to section 43-4-205 (6.5) AND THE~~
17 REVENUE CREDITED TO THE HIGHWAY USERS TAX FUND PURSUANT TO
18 SECTION 39-26-123 (3.2)(a) AND PAID TO THE STATE HIGHWAY FUND
19 PURSUANT TO SECTION 39-26-123 (3.2)(b) THAT IS NOT USED TO MAKE
20 PAYMENTS ON REVENUE ANTICIPATION NOTES ISSUED PURSUANT TO
21 SECTION 43-4-705 (13)(b), shall be expended by the department of
22 transportation for the implementation of the strategic transportation
23 project investment program in the following manner:

24 (I) No more than ninety percent of such ~~revenues~~ REVENUE shall
25 be expended for highway purposes or highway-related capital
26 improvements, including, but not limited to:

27 (A) High occupancy vehicle lanes, park-and-ride facilities, and

1 transportation management systems; and ~~at least ten percent of such~~
2 ~~revenues shall be expended for transit purposes or for transit-related~~
3 ~~capital improvements.~~

4 (B) THE CONSTRUCTION, RECONSTRUCTION, REPAIR,
5 IMPROVEMENT, AND MAINTENANCE OF THE STATE HIGHWAY SYSTEM AND
6 OTHER PUBLIC HIGHWAYS, INCLUDING THE ACQUISITION OF
7 RIGHTS-OF-WAY AND ACCESS RIGHTS FOR THE SYSTEM AND OTHER
8 HIGHWAYS;

9 (III) AT LEAST TEN PERCENT OF SUCH REVENUE SHALL BE
10 EXPENDED FOR TRANSIT-RELATED CAPITAL IMPROVEMENTS.

11 **SECTION 9.** In Colorado Revised Statutes, 43-4-705, **amend**
12 (13) as follows:

13 **43-4-705. Revenue anticipation notes - repeal.**

14 (13) (a) ~~Notwithstanding any other provision of this part 7 to the~~
15 ~~contrary,~~ The executive director ~~shall have the~~ HAS authority to issue
16 revenue anticipation notes pursuant to this part 7 only if voters statewide
17 approve the ballot question submitted at the November 1999 statewide
18 election pursuant to section 43-4-703 (1) OR THE BALLOT QUESTION
19 SUBMITTED AT THE NOVEMBER 2017, 2018, OR 2019 STATEWIDE ELECTION
20 PURSUANT TO SUBSECTION (13)(b)(III) OF THIS SECTION, and only then to
21 the extent allowed under the maximum amounts of debt and repayment
22 cost so approved.

23 (b) (I) AFTER THE REPAYMENT IN FULL OF ALL REVENUE
24 ANTICIPATION NOTES ISSUED AS AUTHORIZED BY SUBSECTION (13)(a) OF
25 THIS SECTION, AND SUBJECT TO VOTER APPROVAL OF THE BALLOT ISSUE
26 SUBMITTED AT THE NOVEMBER 2017, 2018, OR 2019 STATEWIDE ELECTION
27 PURSUANT TO SUBSECTION (13)(b)(III) OF THIS SECTION AND THE

1 REPAYMENT FUNDING COMMITMENT REQUIREMENT SPECIFIED IN
2 SUBSECTION (13)(b)(II) OF THIS SECTION, THE EXECUTIVE DIRECTOR MAY
3 ISSUE ADDITIONAL REVENUE ANTICIPATION NOTES IN A MAXIMUM AMOUNT
4 OF FOUR BILLION DOLLARS AND WITH A MAXIMUM REPAYMENT COST OF
5 FIVE BILLION SEVEN HUNDRED FIFTY MILLION DOLLARS. THE MAXIMUM
6 REPAYMENT TERM FOR ANY NOTES ISSUED PURSUANT TO THIS SUBSECTION
7 (13)(b)(I) IS TWENTY YEARS, AND THE CERTIFICATE, TRUST INDENTURE, OR
8 OTHER INSTRUMENT AUTHORIZING THEIR ISSUANCE SHALL PROVIDE THAT
9 THE STATE MAY PAY THE NOTES IN FULL BEFORE THE END OF THE
10 SPECIFIED PAYMENT TERM WITHOUT PENALTY.

11 (II) NOTWITHSTANDING SECTION 43-1-113 (19) AND SUBSECTION
12 (12)(a) OF THIS SECTION, BEFORE ISSUING ANY REVENUE ANTICIPATION
13 NOTES AS AUTHORIZED BY SUBSECTION (13)(b)(I) OF THIS SECTION, THE
14 TRANSPORTATION COMMISSION SHALL ADOPT A RESOLUTION PLEDGING TO
15 ANNUALLY ALLOCATE FROM LEGALLY AVAILABLE MONEY UNDER ITS
16 CONTROL ANY AMOUNT NEEDED FOR PAYMENT OF THE NOTES IN EXCESS
17 OF AMOUNTS APPROPRIATED BY THE GENERAL ASSEMBLY FROM THE STATE
18 HIGHWAY FUND FOR PAYMENT OF THE NOTES AS SPECIFIED IN SECTION
19 39-26-123 (3.2) UNTIL THE NOTES ARE FULLY REPAYED.

20 (III) THE TRANSPORTATION COMMISSION SHALL DIRECT THE
21 SECRETARY OF STATE TO SUBMIT TO THE REGISTERED ELECTORS OF THE
22 STATE FOR THEIR APPROVAL OR REJECTION AT THE STATEWIDE ELECTION
23 HELD IN NOVEMBER OF 2017, 2018, OR 2019, THE FOLLOWING BALLOT
24 ISSUE: "SHALL STATE TAXES BE INCREASED \$287,500,000 ANNUALLY BY
25 AN INCREASE IN THE RATE OF THE STATE SALES AND USE TAXES FROM
26 2.9% TO 3.15%, SHALL STATE OF COLORADO DEBT BE INCREASED UP TO
27 \$4,000,000,000, WITH A MAXIMUM REPAYMENT COST OF \$5,750,000,000,

1 THROUGH THE ISSUANCE OF ADDITIONAL TRANSPORTATION REVENUE
2 ANTICIPATION NOTES FOR THE PURPOSE OF ADDRESSING CRITICAL
3 PRIORITY TRANSPORTATION NEEDS IN THE STATE BY FINANCING
4 TRANSPORTATION PROJECTS, INCLUDING PASSENGER RAIL, SHALL THE
5 ADDITIONAL SALES AND USE TAX REVENUE BE DEDICATED FOR
6 REPAYMENT OF TRANSPORTATION REVENUE ANTICIPATION NOTES AND TO
7 OTHERWISE FUND TRANSPORTATION PROJECTS, AND SHALL THE
8 ADDITIONAL SALES AND USE TAX REVENUE AND NOTE PROCEEDS AND
9 INVESTMENT EARNINGS ON NOTE PROCEEDS BE EXCLUDED FROM STATE
10 FISCAL YEAR SPENDING LIMITS?"

11 (IV) (A) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT
12 ISSUE IN SUBSECTION (13)(b)(III) OF THIS SECTION VOTE "NO/AGAINST",
13 THEN THIS SUBSECTION (13)(b) IS REPEALED, EFFECTIVE JANUARY 1, 2020.

14 (B) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE
15 IN SUBSECTION (13)(b)(III) OF THIS SECTION VOTE "YES/FOR", THEN THIS
16 SUBSECTION (13)(b)(IV) IS REPEALED, EFFECTIVE JANUARY 1, 2020.

17 **SECTION 10.** In Colorado Revised Statutes, **amend** 43-4-714 as
18 follows:

19 **43-4-714. Priority of strategic transportation project**
20 **investment program - additional contract award process**
21 **requirements.** (1) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2)
22 OF THIS SECTION, if the executive director issues any revenue anticipation
23 notes in accordance with the provisions of this part 7, the proceeds from
24 the sale of such notes that are not otherwise pledged for the payment of
25 such notes shall be used for the qualified federal aid transportation
26 projects included in the strategic transportation project investment
27 program of the department of transportation.

1 (2) IN ADDITION TO THE REQUIREMENT SPECIFIED IN SUBSECTION
2 (1) OF THIS SECTION, PROCEEDS FROM THE SALE OF ANY ADDITIONAL
3 REVENUE ANTICIPATION NOTES THAT THE EXECUTIVE DIRECTOR ISSUES
4 PURSUANT TO SECTION 43-4-705 (13)(b) THAT ARE NOT OTHERWISE
5 PLEDGED FOR THE PAYMENT OF THE NOTES SHALL BE USED ONLY AS
6 FOLLOWS:

7 (a) AT LEAST FIVE HUNDRED MILLION DOLLARS OF THE NOTE
8 PROCEEDS SHALL BE USED ONLY FOR EXTENDING PASSENGER RAIL SERVICE
9 IN THE INTERSTATE 25 CORRIDOR; AND

10 (b) ANY REMAINING NOTE PROCEEDS SHALL BE USED ONLY TO
11 FUND PROJECTS THAT ARE ON THE DEPARTMENT'S PRIORITY LIST FOR
12 TRANSPORTATION FUNDING.

13 (3) IN ADDITION TO THE REQUIREMENTS SPECIFIED IN SUBSECTIONS
14 (1) AND (2) OF THIS SECTION, AND NOTWITHSTANDING ANY OTHER
15 PROVISION OF LAW OR DEPARTMENT RULE TO THE CONTRARY, THE
16 DEPARTMENT MUST COMPLY WITH THE FOLLOWING REQUIREMENTS AND
17 LIMITATIONS WHEN AWARDING A CONTRACT FOR ANY TRANSPORTATION
18 PROJECT THAT WILL BE FUNDED IN WHOLE OR IN PART WITH PROCEEDS
19 FROM THE SALE OF ADDITIONAL REVENUE ANTICIPATION NOTES THAT THE
20 EXECUTIVE DIRECTOR ISSUES PURSUANT TO SECTION 43-4-705 (13)(b):

21 (a) IF THE CONTRACT HAS A TOTAL ESTIMATED COMPLETION COST
22 OF SEVENTY-FIVE MILLION DOLLARS OR LESS AND THE DEPARTMENT USES
23 A DESIGN-BUILD SELECTION AND PROCUREMENT PROCESS FOR THE
24 PROJECT AND ALSO CHOOSES TO USE EITHER A BEST VALUE OR ADJUSTED
25 SCORE DESIGN-BUILD CONTRACT PROCESS, THE DEPARTMENT SHALL NOT,
26 WHEN DETERMINING WHICH OF THE CONTRACTORS THAT HAS MADE A
27 RESPONSIVE PROPOSAL IS PROVIDING THE BEST VALUE OR WHICH OF THE

1 CONTRACTORS THAT HAVE SUBMITTED A STATEMENT OF QUALIFICATIONS
2 ARE THE MOST HIGHLY QUALIFIED AND MAY RESPOND TO A REQUEST FOR
3 PROPOSAL FOR THE PROJECT, PENALIZE ANY CONTRACTOR THAT SATISFIES
4 THE LEVEL OF PREQUALIFICATION REQUIRED FOR THE PROJECT FOR A LACK
5 OF EXPERIENCE IN COMPLETING PROJECTS AWARDED ON A DESIGN-BUILD
6 BASIS.

7 (b) AFTER A CONTRACT IN ANY AMOUNT IS AWARDED, THE
8 DEPARTMENT SHALL POST A COPY OF THE WINNING CONTRACTOR'S FINAL
9 WINNING BID OR PROPOSAL AND A LIST OF THE TOTAL FINAL BID OR
10 PROPOSAL PRICES PROPOSED BY EACH OTHER BIDDER ON ITS WEBSITE FOR
11 FREE ACCESS BY THE PUBLIC. THE DEPARTMENT SHALL REDACT FROM THE
12 PROPOSAL ANY GENERAL FINANCIAL INFORMATION OR OTHER
13 PROPRIETARY INFORMATION INCLUDED IN THE BID THAT PERTAINS TO THE
14 CONTRACTOR GENERALLY AND IS NOT ESSENTIAL TO UNDERSTANDING THE
15 TERMS OF THE BID. ANY REQUEST FOR QUALIFICATIONS, REQUEST FOR
16 PROPOSAL, OR OTHER FORMAL DEPARTMENT COMMUNICATION SOLICITING
17 INFORMATION FROM A CONTRACTOR IN CONNECTION WITH THE SELECTION
18 AND PROCUREMENT PROCESS FOR A TRANSPORTATION PROJECT SHALL
19 SPECIFY THAT BY RESPONDING THE CONTRACTOR ACKNOWLEDGES AND
20 ASSENTS TO THE DISCLOSURE REQUIREMENTS OF THIS SUBSECTION (3)(b).

21 **SECTION 11. Effective date.** (1) Except as otherwise provided
22 in subsection (2) of this section, this act takes effect upon passage.

23 (2) Sections 3, 4, 5, 6, 7, 8, and 10 of this act take effect only if,
24 at the November 2017, November 2018, or November 2019 statewide
25 election, a majority of voters approve the ballot issue submitted pursuant
26 to section 43-4-705 (13)(b)(III), Colorado Revised Statutes, as enacted in
27 section 9 of this act, and, in such case, said sections 3, 4, 6, 7, 8, and 10

1 take effect on the date of the official declaration of the vote thereon by
2 the governor and said section 5 takes effect on the July 1 following the
3 date of the official declaration of the vote thereon by the governor.

4 **SECTION 12. Safety clause.** The general assembly hereby finds,
5 determines, and declares that this act is necessary for the immediate
6 preservation of the public peace, health, and safety.