

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 24-0682.01 Rebecca Bayetti x4348

HOUSE BILL 24-1143

HOUSE SPONSORSHIP

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A BILL FOR AN ACT

101 **CONCERNING CONSTRUCTION BIDDING COST THRESHOLDS FOR**
102 **DEPARTMENT OF TRANSPORTATION PROJECTS.**

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>.)

The bill adds an inflationary adjustment to the monetary cost cap at or below which the department of transportation may undertake public projects outside of a competitive bidding process (project cost cap). The bill also requires the department of transportation to report annually on highway maintenance projects that cost no more than the project cost cap.

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

HOUSE
3rd Reading Unamended
February 13, 2024

HOUSE
Amended 2nd Reading
February 12, 2024

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) as follows:

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

6 (8) (c) "Public project" does not include any project under the
7 supervision of the department of transportation for which appropriation
8 or expenditure of funds may be reasonably expected not to exceed ~~two~~
9 ~~hundred fifty~~ THREE HUNDRED thousand dollars in the aggregate of any
10 fiscal year, ANNUALLY ADJUSTED FOR INFLATION AS PROVIDED IN SECTION
11 24-92-109 (1)(b).

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

14 **24-92-109. Agency of government to submit cost estimate.**

15 (1) (a) Whenever an agency of government OTHER THAN THE
16 DEPARTMENT OF TRANSPORTATION proposes to undertake the construction
17 of a public project reasonably expected to cost in excess of fifty thousand
18 dollars by any means or method other than by a contract awarded by
19 competitive bid, it shall prepare and submit a cost estimate in the same
20 manner as other bidders. ~~except that, for~~ IF THE DEPARTMENT OF
21 TRANSPORTATION PROPOSES TO UNDERTAKE THE CONSTRUCTION OF A
22 PUBLIC PROJECT BY ANY SUCH MEANS OR METHOD, IT SHALL SUBMIT A
23 COST ESTIMATE WHEN AND AS REQUIRED BY SUBSECTIONS (1)(b) AND
24 (1)(c) OF THIS SECTION. ANY AGENCY OF GOVERNMENT ■ SHALL NOT
25 UNDERTAKE A PROPOSED PUBLIC PROJECT ITSELF UNLESS IT SHOWS THE
26 LOWEST COST ESTIMATE.

1 (b) (I) FOR PUBLIC projects under the supervision of the
2 department of transportation ~~undertaken~~ THAT THE DEPARTMENT
3 PROPOSES TO UNDERTAKE by ~~such~~ ANY means or method OTHER THAN BY
4 A CONTRACT AWARDED BY COMPETITIVE BID, the department shall prepare
5 and submit a cost estimate if the cost of the project is reasonably expected
6 to exceed ~~two hundred fifty~~ THREE HUNDRED thousand dollars. THE
7 DEPARTMENT MAY ADJUST THIS PROJECT COST CAP ANNUALLY FOR
8 INFLATION AND MAY ROUND THE ADJUSTED AMOUNT UPWARD TO THE
9 NEAREST FIVE THOUSAND DOLLARS.

10 (II) AS USED IN THIS SUBSECTION (1)(b), "INFLATION" MEANS THE
11 ANNUAL PERCENTAGE CHANGE IN THE UNITED STATES DEPARTMENT OF
12 TRANSPORTATION AND FEDERAL HIGHWAY ADMINISTRATION'S NATIONAL
13 HIGHWAY CONSTRUCTION COST INDEX OR A SUCCESSOR INDEX. THE
14 DEPARTMENT SHALL PUBLISH ANNUALLY THE PROJECT COST CAP,
15 ADJUSTED FOR INFLATION, ON ITS WEBSITE.

16 (c) Cost estimates for PUBLIC projects undertaken by the
17 department of transportation that are reasonably expected to cost more
18 than one hundred fifty thousand dollars but not more than ~~two hundred~~
19 ~~fifty thousand dollars~~ THE PROJECT COST CAP AS DETERMINED PURSUANT
20 TO SUBSECTION (1)(b) OF THIS SECTION shall be submitted to the
21 transportation commission on at least a quarterly basis for its review and
22 approval. ~~An agency of government itself may not undertake a proposed~~
23 ~~project unless it shows the lowest cost estimate.~~

24 **SECTION 3.** In Colorado Revised Statutes, 24-92-116, **amend**
25 (1); and **add** (1.5) as follows:

26 **24-92-116. Department of transportation - reporting**
27 **requirements.** (1) The department of transportation shall annually

1 identify in a report to the transportation commission and to the
2 transportation legislation review committee of the general assembly ~~at~~
3 EACH highway maintenance ~~projects~~ PROJECT for the reporting year
4 ~~costing~~ THAT COSTS more than one hundred fifty thousand dollars but not
5 more than THE PROJECT COST CAP OF two hundred fifty ~~THREE HUNDRED~~
6 thousand dollars, ANNUALLY ADJUSTED FOR INFLATION, DESCRIBED IN
7 SECTION 24-92-109 (1)(b), AND that MEETS ONE OR MORE OF THE
8 FOLLOWING CONDITIONS:

9 (a) The department is completing THE PROJECT using its own
10 employees;

11 (b) The department awarded THE PROJECT by invitation for bids
12 pursuant to section 24-92-103 or by competitive sealed best value bidding
13 pursuant to section 24-92-103.5; or

14 (c) ~~For which~~ The department solicited but did not receive bids
15 FOR THE PROJECT pursuant to section 24-92-103 or 24-92-103.5.

16 (1.5) THE ANNUAL REPORT REQUIRED IN SUBSECTION (1) OF THIS
17 SECTION MUST ALSO IDENTIFY ANY PROGRAM EFFICIENCIES OR
18 ADDITIONAL FUNDING ACCOUNTABILITY ACHIEVED BY THE DEPARTMENT
19 OF TRANSPORTATION AS A RESULT OF INCREASING THE PROJECT COST CAP.

20 **SECTION 4. Act subject to petition - effective date -**
21 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
22 the expiration of the ninety-day period after final adjournment of the
23 general assembly; except that, if a referendum petition is filed pursuant
24 to section 1 (3) of article V of the state constitution against this act or an
25 item, section, or part of this act within such period, then the act, item,
26 section, or part will not take effect unless approved by the people at the
27 general election to be held in November 2024 and, in such case, will take

1 effect on the date of the official declaration of the vote thereon by the
2 governor.

3 (2) This act applies to public projects proposed to be constructed
4 by any means or method, other than by a contract awarded by competitive
5 bid, on or after the applicable effective date of this act.