

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

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

TO:	Interested Persons
FROM:	Katie Ruedebusch, Principal 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 transportation system in the RTD service area.<sup>1</sup>

Contents

Regional Transportation District				
Overview	1			
RTD Annexation	2			
RTD Fare Structure	3			
RTD Legislative Oversight	4			
RTD Legislative History	4			
Attachment A				

**RTD service area.** RTD currently serves 3.08 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. Attachment A includes the current RTD system map. The current RTD system map may also be found here:

https://www.rtd-denver.com/rider-info/system-map.

**RTD board of directors.** The original RTD board consisted of 21 taxpaying electors. 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 180,000 residents. More information on RTD's current board of directors, including an interactive district map, can be found here:

https://www.rtd-denver.com/board-of-directors.

October 20, 2020

Memorandum

<sup>&</sup>lt;sup>1</sup>Section 32-9-101, *et seq.*, C.R.S.

**Board authority.** 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. State law gives RTD's board the power to enter into contracts, borrow and invest money, purchase and maintain property, and levy taxes. The 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 were about \$1.2 billion. Of this revenue, approximately 57 percent came from a 1 percent sales and use tax within RTD's service area, and approximately 14 percent came from passenger fares. The remainder of the district's revenue came from federal grants, investment income, and various other sources. RTD employed around 2,890 individuals throughout the Denver metropolitan area in 2019. In addition, RTD works with approximately 1,600 private contractor employees. RTD's 2020 annual budget can be found <u>here</u>.

**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 was 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 12 rail lines and 78 stations, with plans to expand service.

### **RTD** Annexation

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.<sup>2</sup> 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 contiguous area along RTD's service areas and 100 percent of parcel 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.<sup>3</sup> 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.

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.<sup>4</sup>

<sup>&</sup>lt;sup>2</sup>Section 32-9-106.1 (1)(a)(I), C.R.S.

<sup>&</sup>lt;sup>3</sup>Section 32-9-106.8 (1), C.R.S.

<sup>&</sup>lt;sup>4</sup>Section 32-9-106.1 (2)(e), C.R.S.

#### **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.

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
2020	\$3.00	\$5.25		\$10.50

# Table 1Regional Transportation District Fares

Prepared by: Colorado Legislative Council Staff.

RTD fares depend on several factors, including zone of travel, discounts, and type of ticket package purchased. In addition, rides are free for children under five riding with a fare paying adult and active duty members of the U.S. military. Fares and fare payment options are discussed in detail on the RTD website's Fares page.

**Low-income and youth pass.** A 25-member working group completed an evaluation of RTD's pass programs in 2019 and drafted recommendations. The Fare Pass Working Group's recommendations included adding a low-income pass, which would discount fares by 40 percent for riders who have incomes at or below 185 percent of the Federal Poverty Level; and a youth pass, which would discount fares for riders who are 13 to 19 years old by 70 percent. RTD offers these two passes, with the eligibility requirements and costs listed above. The passes were recommended by the working group in 2019 and implemented by RTD.

### **RTD Legislative 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.

In 2020, RTD, in consultation with several members of the General Assembly and the Governor, created the independent RTD Accountability Committee (committee). The 11-member committee is hosted by the Denver Regional Council of Governments (DRCOG). Of the 11 committee members, the chairs of the House and Senate Transportation Committees appointed 6 members and the Governor appointed 5 members. The committee must provide a report, including recommendations for improvements to RTD's operations, financial health, and statutory authority, to the RTD board, the Governor, and the chairs of the House and Senate Transportation Committees no later than July 1, 2021. Before issuing any reports or recommendations, the committee must hear and consider comments from the public. The committee will end its work after the report is issued. Learn more about the committee's work at RTD's website:

https://www.rtd-denver.com/accountability-committee.

Information about committee meetings may be found at DRCOG's website:

https://drcog.org/planning-great-region/rtd-accountability-committee.

### **RTD Legislative History**

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 on the next page outlines bills passed by the General Assembly that directly modified RTD's statutory authority.

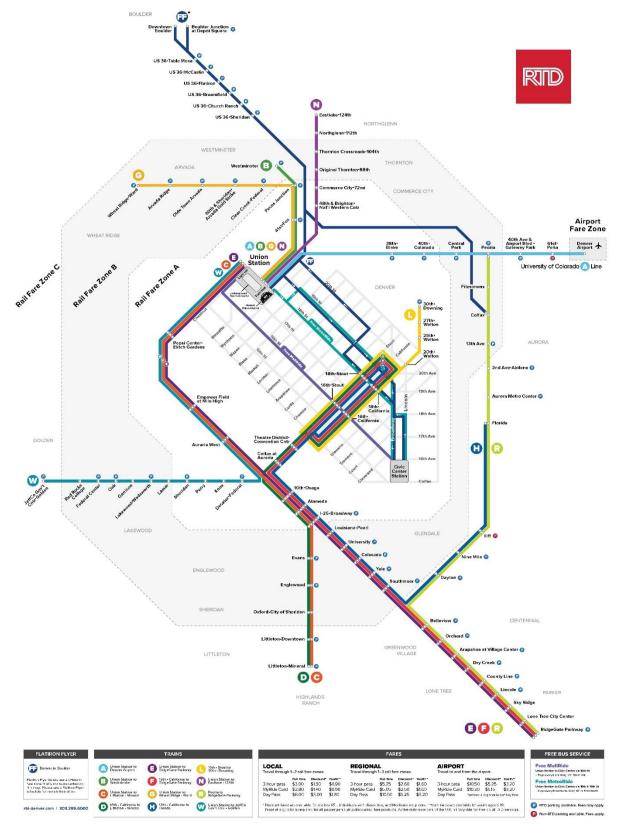
## Table 2Bills Substantially Changing RTD Statutory Authority Since 2000

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.

#### Attachment A



Source: RTD. Accessed at: https://www.rtd-denver.com/services/rail/rail-system-map.