



# COLORADO

## Department of Transportation

2829 W. Howard Place  
Denver, CO 80204-2305

### Statement of Basis, Authority, and Purpose

The specific authority for the Clean Transit Enterprise (CTE) to establish these Rules is set forth in C.R.S. § 43-4-1203(6)(g).

The general purpose of these Rules is to set the amount of the Clean Transit Retail Delivery Fee at or below the maximum level specified in C.R.S. § 43-4-1203(7) and to govern the process by which the Enterprise accepts applications for, awards, and oversees grants, loans, and rebates pursuant to C.R.S. § 43-4-1203(8).

Senate Bill 21-260 Sustainability of the Transportation System created new sources of dedicated funding and new state enterprises. The legislation intended to preserve, improve, and expand existing transportation infrastructure, develop the modernized infrastructure needed to support the widespread adoption of Electric Motor Vehicles, and mitigate environmental and health impacts of transportation system use. To accomplish these goals, the legislation established the Clean Transit Enterprise, an enterprise and government-owned business within the Colorado Department of Transportation (CDOT) for the purpose of collecting fee revenue to reduce or mitigate the adverse impacts of air pollution and greenhouse gas emissions produced by gas and diesel-powered motor vehicles used for Retail Deliveries. CTE will support the adoption of Electric Motor Vehicles for Transit. The Legislature specifically vested CTE, a Type 1 transfer agency, with the authority to promulgate rules to set the amount of the required Clean Transit Retail Delivery Fee and to govern the process by which the Enterprise accepts applications for, awards, and oversees grants, loans, and rebates. Per statute, the Enterprise can set a maximum fee of \$0.03 per Retail Delivery and CTE proposes to do so in this rulemaking.

After fiscal year 2022, CTE shall notify the Department of Revenue (DOR) of the amount of the Clean Transit Retail Delivery Fee to be collected for Retail Deliveries of Tangible Personal Property purchased during each state fiscal year no later than March 15 of the calendar year in which the state fiscal year begins. CDOT and CTE will work with DOR to determine the maximum fee amounts that may be imposed, which shall be the maximum amounts for the prior state fiscal year adjusted for inflation.

In addition, CTE proposes to use CDOT's existing transit grant process to solicit, award, and oversee grants, loans, and rebates to transit agencies. This would include posting the program criteria on the CTE website no later than 60 days prior to the application deadline. Applicants would be notified of the CTE Board's decisions on proposals within 90 days of the application deadline.

