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Colorado Secretary of State

FINAL DRAFT – April 6, 2018

Be it enacted by the People of the State of Colorado:

SECTION 1. Legislative declaration.

(1) THE VOTERS OF THE STATE OF COLORADO HEREBY FIND AND DECLARE THAT:

(a) IT IS CRITICAL TO CONSTRUCT, IMPROVE, AND MAINTAIN TRANSPORTATION INFRASTRUCTURE THROUGHOUT THE STATE IN ORDER TO MEET THE DEMANDS CREATED BY BOTH CURRENT AND FUTURE STATEWIDE ECONOMIC EXPANSION AND POPULATION GROWTH;

(b) SUFFICIENT, SUSTAINABLE, STEADY, AND DEDICATED FUNDING STREAMS ARE NEEDED TO FUND THE CRITICAL TRANSPORTATION INFRASTRUCTURE CONSTRUCTION, IMPROVEMENT, AND MAINTENANCE THAT WILL ALLOW THE STATEWIDE TRANSPORTATION SYSTEM TO MEET BOTH CURRENT AND FUTURE DEMANDS;

(c) CURRENT SOURCES OF DEDICATED TRANSPORTATION FUNDING ARE NOT GENERATING ENOUGH REVENUE TO FUND CURRENT AND FUTURE TRANSPORTATION INFRASTRUCTURE NEEDS THROUGHOUT THE STATE. THE STATE LAST INCREASED THE RATES OF THE TAXES ON GASOLINE AND SPECIAL FUEL, THE LARGEST SOURCE OF DEDICATED TRANSPORTATION FUNDING, IN THE EARLY 1990S, AND THESE TAXES DO NOT INCREASE WITH INFLATION. AS A RESULT, THE DECLINING PURCHASING POWER OF THE REVENUE GENERATED BY THESE TAXES HAS PREVENTED THE STATE'S TRANSPORTATION BUDGET FROM KEEPING PACE WITH THE GROWING TRANSPORTATION INFRASTRUCTURE NEEDS THROUGHOUT THE STATE.

(d) AN ADDITIONAL SOURCE OF VOTER-APPROVED FUNDING FOR TRANSPORTATION IS NEEDED TO MEET STATEWIDE TRANSPORTATION INFRASTRUCTURE FUNDING NEEDS.

(2) THE VOTERS FURTHER FIND AND DECLARE THAT ALL NEW VOTER-APPROVED TRANSPORTATION FUNDING WILL BE SPENT THROUGHOUT THE STATE TO:

(a) ADDRESS POOR ROAD AND BRIDGE CONDITIONS LIKE POTHoles AND ROUGH PAVEMENT THAT DAMAGE VEHICLES, REQUIRE VEHICLE OWNERS TO PAY FOR EXPENSIVE VEHICLE REPAIRS, AND INCREASE COSTS FOR COLORADO FAMILIES;

(b) RECONSTRUCT AND REHABILITATE STATE HIGHWAYS TO BETTER MAINTAIN THEM AND PREVENT AND AVOID COSTLY FUTURE REPAIRS;

(c) SUPPORT LOCAL GOVERNMENT EFFORTS TO FUND LOCAL TRANSPORTATION PROJECTS THAT ARE CRITICAL FOR THEIR COMMUNITIES;

(d) IMPROVE HIGHWAYS TO INCREASE THEIR CAPACITY AND ACCOMMODATE POPULATION GROWTH;

(e) PROVIDE ADDITIONAL SEASONAL MAINTENANCE ON STATE HIGHWAYS;

(f) ADDRESS INCREASED TRAFFIC CONGESTION THROUGH MULTIMODAL TRANSPORTATION OPTIONS;

(g) ALLOW THE STATE'S GROWING POPULATION OF SENIORS TO AGE IN PLACE AND PROVIDE GREATER MOBILITY FOR PERSONS WITH DISABILITIES; AND

(h) INVEST IN THE ECONOMIC FUTURE OF THE STATE BY PROVIDING A MODERN MULTIMODAL STATEWIDE TRANSPORTATION SYSTEM THAT WILL SUPPORT AND STRENGTHEN THE ECONOMY OF THE STATE AND ATTRACT MORE BUSINESSES AND EMPLOYERS TO THE STATE.

(3) THE VOTERS INTEND THAT THIS 2018 INITIATIVE BE CONSTRUED AND APPLIED AS THE BALLOT ISSUE INITIATED BY CITIZENS THAT REFLECTS VOTER APPROVAL FOR TRANSPORTATION REVENUE ANTICIPATION NOTES, PROVIDED FOR IN SENATE BILL 18-001 OR LEGISLATION WITH COMPARABLE EFFECT (HEREAFTER REFERRED TO AS "SENATE BILL 18-001") ADOPTED AT THE SECOND REGULAR SESSION OF THE SEVENTY-FIRST GENERAL ASSEMBLY, HELD IN 2018. FURTHER, THE VOTERS UNDERSTAND THAT THERE MAY NEED TO BE STATUTORY AMENDMENTS TO ENSURE THAT SENATE BILL 18-001 AND THIS INITIATIVE WORK TOGETHER TO PROVIDE FUNDING FOR NEEDED TRANSPORTATION INFRASTRUCTURE AND PROJECTS AND EXPRESSLY AUTHORIZE THE GENERAL ASSEMBLY TO MAKE SUCH AMENDMENTS TO REFLECT THE INTENT OF THE ELECTORATE.

SECTION 2. In Colorado Revised Statutes, 39-26-105, **amend** (1)(a)(I)(A) as follows:

39-26-105. Vendor liable for tax - repeal. (1) (a) (I) (A) Except as provided in ~~sub-subparagraph (B) of this subparagraph (I) and in subparagraph (II) of this paragraph (a)~~ SUBSECTIONS (1)(a)(I)(B) AND (1)(a)(II) OF THIS SECTION, every retailer shall, irrespective of the provisions of section 39-26-106, be liable and responsible for the payment of an amount equivalent to two and ninety one-hundredths percent of all sales made on or after January 1, 2001, BUT BEFORE JANUARY 1, 2019, AND ON AND AFTER JANUARY 1, 2039, AND AN AMOUNT EQUAL TO THREE AND TWENTY-FIVE HUNDREDTHS PERCENT OF ALL SALES MADE ON AND AFTER JANUARY 1, 2019, BUT BEFORE JANUARY 1, 2039, by the retailer of commodities or services as specified in section 39-26-104.

SECTION 3. In Colorado Revised Statutes, 39-26-106, **amend** (1) as follows:

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

(II) On and after ~~January 1, 2001~~ JANUARY 1, 2019, BUT BEFORE JANUARY 1, 2039, IN ADDITION TO THE TAX IMPOSED UNDER SUBSECTION (1)(a)(I) OF THIS SECTION, there is imposed upon all sales of commodities and services specified in section 39-26-104 a tax at the rate of ~~two and ninety~~ THIRTY-FIVE one-hundredths percent of the amount of the sale to be computed in accordance with schedules or systems approved by the executive director of the department of revenue; EXCEPT THAT THE TAX IS NOT IMPOSED ON SALES OF AVIATION FUELS USED IN TURBO-PROPELLER OR JET ENGINE AIRCRAFT. ~~Said~~ THE schedules or systems shall be designed so that no ~~such~~ tax is charged on any sale of seventeen cents or less.

(b) ~~Notwithstanding the three percent rate provisions of paragraph (a) of this subsection (1), for the period May 1, 1983, through July 31, 1984, the rate of the tax imposed pursuant to this subsection (1) shall be three and one-half percent.~~

SECTION 4. In Colorado Revised Statutes, **amend** 39-26-112 as follows:

39-26-112. Excess tax - remittance. If ~~any~~ A vendor, during any reporting period, collects as a tax an amount in excess of ~~three percent of all taxable sales made prior to January 1, 2001, and~~ two and ninety one-hundredths percent of all taxable sales made on or after January 1, 2001, ~~such~~ BUT BEFORE JANUARY 1, 2019, AND ON AND AFTER JANUARY 1, 2039, OR COLLECTS AS A TAX AN AMOUNT IN EXCESS OF THREE AND TWENTY-FIVE HUNDREDTHS PERCENT OF ALL TAXABLE SALES MADE ON OR AFTER JANUARY 1, 2019, BUT BEFORE JANUARY 1, 2039, THE vendor shall remit to the executive director of the department of revenue the full net amount of the tax imposed in this part 1 and also ~~such~~ THE excess. The retention by the retailer or vendor of any excess of tax collections over the APPLICABLE percentage of the total taxable sales of ~~such~~ THE retailer or vendor or the

intentional failure to remit punctually to the executive director the full amount required to be remitted by the provisions of this part 1 is ~~declared to be~~ unlawful and constitutes a misdemeanor.

SECTION 5. In Colorado Revised Statutes, 39-26-123, **amend** (3); and **add** (7) as follows:

39-26-123. Receipts - disposition - transfers of general fund surplus - sales tax holding fund - creation - definitions. (3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (7) OF THIS SECTION, for any state fiscal year commencing on or after July 1, 2013, the state treasurer shall credit eighty-five percent of all net revenue collected under the provisions of this ~~article~~ ARTICLE 26 to the old age pension fund created in section 1 of article XXIV of the state constitution. The state treasurer shall credit to the general fund the remaining fifteen percent of the net revenue, less ten million dollars, which the state treasurer shall credit to the older Coloradans cash fund created in section 26-11-205.5 (5). ~~C.R.S.~~

(7) (a) THE STATE TREASURER SHALL CREDIT THE NET REVENUE COLLECTED UNDER THE PROVISIONS OF THIS ARTICLE 26 THAT IS ATTRIBUTABLE TO THE ADDITIONAL SALES AND USE TAXES LEVIED PURSUANT TO SECTIONS 39-26-106 (1)(a)(II) AND 39-26-202 (1)(b) AS FOLLOWS:

(I) TWENTY PERCENT OF THE ANNUAL NET REVENUE COLLECTED DURING EACH STATE FISCAL YEAR TO THE MULTIMODAL TRANSPORTATION OPTIONS FUND AS SPECIFIED IN SECTION 43-1-106 (8)(t) AND SECTION 43-4-1103 (1) AND (2); AND
(II) EIGHTY PERCENT OF THE ANNUAL NET REVENUE COLLECTED DURING EACH STATE FISCAL YEAR TO THE LOCAL TRANSPORTATION PRIORITIES FUND, WHICH FUND IS HEREBY CREATED IN THE STATE TREASURY; EXCEPT THAT FIFTY PERCENT OF SUCH FUND SHALL BE ALLOCATED TO COUNTIES, PURSUANT TO SECTION 43-4-207(1) AND (2)(b), AND FIFTY PERCENT SHALL BE ALLOCATED TO CITIES AND COUNTIES, CITIES, AND INCORPORATED TOWNS, PURSUANT TO SECTION 43-4-208(1), (2)(b), (5) AND (6).

(b) THE VOTERS HEREBY FIND AND DECLARE THAT BECAUSE THE SALES AND USE TAX REVENUE GENERATED BY THE SALES AND USE TAXES LEVIED PURSUANT TO SECTIONS 39-26-106 (1)(a)(I) AND 39-26-202 (1)(a) IS SUFFICIENT TO FULLY FUND THE OLD AGE PENSION FUND AS REQUIRED BY ARTICLE XXIV OF THE STATE CONSTITUTION, THE STATE MAY CONSTITUTIONALLY CREDIT ALL

REVENUE GENERATED BY THE ADDITIONAL SALES AND USE TAXES LEVIED PURSUANT TO SECTIONS 39-26-106 (1)(a)(II) AND 39-26-202 (1)(b) TO THE LOCAL TRANSPORTATION PRIORITIES FUND AND THE MULTIMODAL TRANSPORTATION OPTIONS FUND IN THE MANNER SPECIFIED IN SUBSECTION (7)(a) OF THIS SECTION.

SECTION 6. In Colorado Revised Statutes, 39-26-202, **amend** (1)(a) and (1)(b); and **repeal** (2) as follows:

39-26-202. Authorization of tax. (1) (a) Except as otherwise provided in ~~paragraph (b) of this subsection (1) and in subsection (3)~~ SUBSECTIONS (1)(b) AND (3) of this section, there is imposed and shall be collected from every person in this state a tax or excise at the rate of ~~three~~ TWO AND NINETY ONE-HUNDREDTHS percent of storage or acquisition charges or costs for the privilege of storing, using, or consuming in this state any articles of tangible personal property purchased at retail.

(b) On and after ~~January 1, 2001~~ JANUARY 1, 2019, BUT BEFORE JANUARY 1, 2039, IN ADDITION TO THE TAX IMPOSED UNDER SUBSECTION (1)(a) OF THIS SECTION, there is imposed and shall be collected from every person in this state a tax or excise at the rate of ~~two and ninety~~ THIRTY-FIVE one-hundredths percent of storage or acquisition charges or costs for the privilege of storing, using, or consuming in this state any articles of tangible personal property purchased at retail; EXCEPT THAT THE TAX OR EXCISE IS NOT IMPOSED ON STORAGE OR ACQUISITION CHARGES OR COSTS FOR THE PRIVILEGE OF STORING, USING, OR CONSUMING IN THIS STATE ANY AVIATION FUELS USED IN TURBO-PROPELLER OR JET ENGINE AIRCRAFT PURCHASED AT RETAIL.

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

SECTION 7. In Colorado Revised Statutes, **add** 39-26-202.5 as follows:

39-26-202.5 Effect of voter approval – spending limitations.

REVENUE FROM THE TEMPORARY SALES AND USE TAX RATE INCREASE, AUTHORIZED AT THE NOVEMBER, 2018 ELECTION AND IMPOSED IN SECTIONS 39-26-106 (1)(a)(II) AND 39-26-202 (1)(b), AND PROCEEDS OF THE ADDITIONAL

TRANSPORTATION REVENUE ANTICIPATION NOTES, AUTHORIZED AT THE NOVEMBER, 2018 ELECTION AND ISSUED PURSUANT TO SECTION 43-4-705 (13)(b), AND EARNINGS ON SUCH REVENUE AND SUCH PROCEEDS SHALL BE RETAINED AND SPENT BY THE STATE, CITIES AND COUNTIES AS VOTER-APPROVED REVENUE CHANGES AND SHALL BE EXEMPT FROM ALL REVENUE, SPENDING AND OTHER LIMITATIONS UNDER SECTION 20 OF ARTICLE X OF THE CONSTITUTION OR ANY OTHER LAW.

SECTION 8. In Colorado Revised Statutes, 39-28.8-501, **amend** (1) as follows:

39-28.8-501. Marijuana tax cash fund - creation – distribution - legislative declaration. (1)

The marijuana tax cash fund, referred to in this part 5 as the "fund", is created in the state treasury. The fund consists of any applicable retail marijuana sales tax transferred pursuant to section 39-28.8-203 (1)(b) on or after July 1, 2014, and any ~~revenues~~ REVENUE transferred to the fund from any sales tax imposed pursuant to ~~section 39-26-106~~ SECTION 39-26-106 (1)(a)(I) on the retail sale of products under articles 43.3 and 43.4 of title 12 ~~C.R.S.~~.

SECTION 9. In Colorado Revised Statutes, 43-1-106, **add** (8)(t)(I) and (II) as follows:

43-1-106. Transportation commission – powers and duties – repeal. (8) In addition to all other powers and duties imposed upon it by law, the commission has the following powers and duties:

(t) TO DISTRIBUTE FUNDS WITHIN THE MULTIMODAL TRANSPORTATION OPTIONS FUND CREATED UNDER 43-4-1103 IN THE FOLLOWING MANNER:

(I) UPON ALLOCATION OF THE STATE'S SHARE OF MULTIMODAL FUNDING ATTRIBUTABLE TO REVENUE FROM THE TEMPORARY SALES AND USE TAX RATE INCREASE, AUTHORIZED AT THE NOVEMBER, 2018 ELECTION AND IMPOSED IN SECTIONS 39-26-106 (1)(a)(II) AND 39-26-202 (1)(b), THE COMMISSION SHALL EVALUATE AND CHOOSE CAPITAL OR OPERATING COSTS FOR BUSTANG, BUSTANG OUTRIDER, OR OTHER INTER-REGIONAL PUBLIC TRANSIT; PARK-N-RIDE LOTS AND TRANSIT STATIONS; TRANSPORTATION DEMAND MANAGEMENT PROGRAMS; MULTI-MODAL MOBILITY PROJECTS ENABLED BY NEW TECHNOLOGY; PLANNING AND ENGINEERING STUDIES NEEDED TO PLAN AND CONSTRUCT MULTIMODAL PROJECTS; AND CAPITAL OR OPERATING COSTS FOR BICYCLE AND PEDESTRIAN PROJECTS THAT FURTHER THE STATE'S GOALS FOR

MULTIMODAL TRANSPORTATION AS DETERMINED BY THE TRANSPORTATION COMMISSION.

(II) THE COMMISSION SHALL ESTABLISH A FORMULA FOR DISBURSEMENT OF THE REMAINING AMOUNT IN THE FUND, BASED ON POPULATION AND TRANSIT RIDERSHIP AND AFTER CONSULTATION WITH THE TRANSPORTATION ADVISORY COMMITTEE, THE TRANSIT AND RAIL ADVISORY COMMITTEE, TRANSIT ADVOCACY ORGANIZATIONS, AND BICYCLE AND PEDESTRIAN ADVOCACY ORGANIZATIONS. SUCH FUNDS SHALL BE EXPENDED ON CAPITAL OR OPERATING COSTS FOR FIXED ROUTE AND ON-DEMAND TRANSIT; TRANSPORTATION DEMAND MANAGEMENT PROGRAMS; MULTIMODAL MOBILITY PROJECTS ENABLED BY NEW TECHNOLOGY; PLANNING AND ENGINEERING STUDIES NEEDED TO PLAN AND CONSTRUCT MULTIMODAL PROJECTS; AND BICYCLE OR PEDESTRIAN PROJECTS. SUCH FUNDS SHALL BE ALLOCATED TO:

(A) METROPOLITAN PLANNING ORGANIZATIONS, WHICH SHALL SELECT PROJECTS TO BE FUNDED AND MANAGE SUCH FUNDS AS ARE ALLOCATED; AND
(B) AS TO AREAS OF THE STATE WHERE NO METROPOLITAN PLANNING ORGANIZATION EXISTS, THE COMMISSION SHALL SELECT PROJECTS TO BE FUNDED AND MANAGE SUCH FUNDS AS ARE ALLOCATED.

(III) RECIPIENTS OF THE FUNDS AS PROVIDED IN SUBSECTION (8)(t)(II) OF THIS SECTION SHALL PROVIDE A MATCH EQUAL TO THE AMOUNT OF THE AWARD OF MULTIMODAL OPTIONS FUNDS. THE COMMISSION MAY CREATE A FORMULA FOR REDUCING OR EXEMPTING AN OTHERWISE APPLICABLE REQUIREMENT FOR MATCHING FUNDS FOR LOCAL GOVERNMENTS OR AGENCIES THAT THE COMMISSION DETERMINES HAVE BUDGETS THAT FALL BELOW A THRESHOLD DETERMINED BY THE COMMISSION TO BE UNABLE TO PROVIDE A FULL MATCH DUE TO THEIR SIZE OR SPECIAL CIRCUMSTANCES AS DETERMINED BY THE COMMISSION. PRIOR TO DOING SO, THE COMMISSION MUST CONSULT WITH THE ORGANIZATIONS SET FORTH IN SUBSECTION (8)(t)(II) OF THIS SECTION.

SECTION 10. In Colorado Revised Statutes, 43-1-125, **repeal** (1) and (2) and **amend** as follows:

(3) THE DEPARTMENT OF TRANSPORTATION SHALL NOT EXPEND NET REVENUE THAT IS CREDITED TO THE STATE HIGHWAY FUND PURSUANT TO SUBSECTION SECTION 43-4-206(4) TO SUPPORT TOLL HIGHWAYS.

(4) THE DEPARTMENT SHALL NOT EXPEND SUCH NET REVENUE TO SUPPORT TOLL LANE CONSTRUCTION OR MAINTENANCE UNLESS:

- (a) A FEDERAL RECORD OF DECISION HAS BEEN ISSUED IN WHICH THE RECORD OF DECISION INCLUDED PLANNING STAGES IN WHICH THE DEPARTMENT SOLICITED AND RECEIVED MEANINGFUL PUBLIC PARTICIPATION AND INPUT;
- (b) TOLL REVENUE IS NOT COLLECTED FOR THE SINGULAR OR PRIMARY PURPOSE OF REVENUE GENERATION;
- (c) TOLL REVENUE COLLECTION IS UTILIZED AS A MECHANISM TO INCREASE TRAVEL TIME RELIABILITY AND MITIGATE CONGESTION;
- (d) THE PROJECT CONTAINS ONE OR MORE MULTIMODAL OR ALTERNATIVE MODES OF TRAVEL FOR NONTOLL PAYING PERSONS, INCLUDING, BUT NOT LIMITED TO, BUS RAPID TRANSIT, INTERREGIONAL BUS SERVICE, LOCAL BUS SERVICE, OR HIGH-OCCUPANCY PASSENGER VEHICLES;
- (e) TOLL REVENUE REMAINS ON THE CORRIDOR IN WHICH IT WAS RAISED AND IS EXPENDED BY THE DEPARTMENT ONLY FOR MAINTENANCE, OPERATIONS, OR CONSTRUCTION OF MOBILITY IMPROVEMENTS; AND
- (f) THE TOLL LANE IS CONSTRUCTED ADJACENT TO ONE OR MORE UNTOLLED LANES AND THE ADDITION OF THE TOLL LANE WILL RESULT IN DEMONSTRABLY LOWER CONGESTION IN THE UNTOLLED LANES.

SECTION 11. In Colorado Revised Statutes, 43-4-206, **add** (4) as follows:

43-4-206. State allocation. (4) GENERAL FUND MONEYS ALLOCATED TO THE STATE HIGHWAY FUND, BASED ON THE PROVISIONS OF SENATE BILL 18-001 OR COMPARABLE TRANSPORTATION FUNDING LEGISLATION THAT IS ENACTED AT

THE SECOND REGULAR SESSION OF THE SEVENTY-FIRST GENERAL ASSEMBLY HELD IN 2018, SHALL BE USED TO MAKE PRINCIPAL AND INTEREST PAYMENTS ON TRANSPORTATION REVENUE ANTICIPATION NOTES, WHICH NOTES SHALL BE ISSUED FOR THE PURPOSES AND UNDER THE CONDITIONS PROVIDED IN SENATE BILL 18-001 OR COMPARABLE TRANSPORTATION FUNDING LEGISLATION THAT IS ENACTED AT THE SECOND REGULAR SESSION OF THE SEVENTY-FIRST GENERAL ASSEMBLY HELD IN 2018, AS WELL AS IN THE INITIATIVE ADOPTED BY THE VOTERS AT THE 2018 GENERAL ELECTION THAT, AMONG OTHER PROVISIONS, ENACTED THIS SUBSECTION (4) OF SECTION 43-4-206.

SECTION 12. In Colorado Revised Statutes, 43-4-207, **amend** (1), (2) introductory portion, and (2)(b) introductory portion as follows:

43-4-207. County allocation. (1) After paying the costs of the Colorado state patrol and ~~such~~ ANY other costs of the department, exclusive of highway construction, highway improvements, or highway maintenance, ~~as THAT~~ are appropriated by the general assembly, ~~twenty-six percent of the balance of the highway users tax fund~~ THE REVENUE REQUIRED BY SECTION 43-4-205 TO BE PAID FROM THE HIGHWAY USERS TAX FUND TO THE COUNTY TREASURERS OF THE RESPECTIVE COUNTIES AND THE AMOUNT ALLOCATED TO COUNTIES FROM THE LOCAL TRANSPORTATION PRIORITIES FUND, AS SPECIFIED IN SECTION 39-26-123(7)(a)(II), shall be paid to the county treasurers of the respective counties, subject to annual appropriation by the general assembly, and shall be allocated and expended as provided in this section. The ~~moneys thus~~ MONEY received ~~shall be~~ IS allocated to the counties as provided by law and shall be expended by the counties only on the construction, engineering, reconstruction, maintenance, repair, equipment, improvement, and administration of the county highway systems and any other public highways, including any state highways, together with acquisition of rights-of-way and access rights for the same, for the planning, designing, engineering, acquisition, installation, construction, repair, reconstruction, maintenance, operation, or administration of transit-related projects, including, but not limited to, designated bicycle or pedestrian lanes of highway and infrastructure needed to integrate different transportation modes within a multimodal transportation system, AS MATCHING MONEY FOR PROJECTS RECEIVING FUNDING FROM THE MULTIMODAL TRANSPORTATION OPTIONS FUND PURSUANT TO EITHER SECTIONS 43-4-1103 (2)(a) OR (b), and for no

other purpose; ~~except that a county may expend no more than fifteen percent of the total amount expended under this subsection (1) for transit related operational purposes and except that moneys~~ EXCEPT THAT MONEY received pursuant to section 43-4-205 (6.3) shall be expended by the counties only for road safety projects, as defined in section 43-4-803 (21). The amount to be expended for administrative purposes shall not exceed five percent of each county's share of the funds available.

(2) For the fiscal year commencing July 1, 1989, and each fiscal year thereafter, for the purpose of allocating ~~moneys~~ MONEY in the highway users tax fund to the various counties throughout the state, the following method is hereby adopted:

(b) All ~~moneys~~ MONEY credited to the fund in excess of eighty-six million seven hundred thousand dollars ~~shall be~~ AND ALL MONEY CREDITED TO THE LOCAL TRANSPORTATION PRIORITIES FUND AS REQUIRED BY SECTION 39-26-123 (7)(a) THAT IS REQUIRED BY SUBSECTION (1) OF THIS SECTION TO BE PAID TO THE COUNTY TREASURERS OF THE RESPECTIVE COUNTIES IS allocated to the counties in the following manner:

SECTION 13. In Colorado Revised Statutes, 43-4-208, **amend** (1), (2) introductory portion, (2)(a), and (6)(a) as follows:

43-4-208. Municipal allocation. (1) After paying the costs of the Colorado state patrol and ~~such~~ ANY other costs of the department, exclusive of highway construction, highway improvements, or highway maintenance, ~~as~~ THAT are appropriated by the general assembly, ~~and making allocation as provided by sections 43-4-206 and 43-4-207, the remaining nine percent of the highway users tax fund~~ THE REVENUE REQUIRED BY SECTION 43-4-205 TO BE PAID FROM THE HIGHWAY USERS TAX FUND TO CITIES AND INCORPORATED TOWNS AND THE AMOUNT ALLOCATED TO CITIES AND INCORPORATED TOWNS FROM THE LOCAL TRANSPORTATION PRIORITIES FUND, AS SPECIFIED IN SECTION 39-26-123(7)(a)(II), shall be paid to the cities and incorporated towns within the limits of the respective counties, subject to annual appropriation by the general assembly, and shall be allocated and expended as provided in this section. Each city treasurer shall account for the moneys thus received as provided in this part 2. Moneys so allocated shall be expended by the cities and incorporated towns for the construction, engineering, reconstruction, maintenance, repair, equipment, improvement, and administration of the system of streets of such city or

incorporated town or of any public highways located within such city or incorporated town, including any state highways, together with the acquisition of rights-of-way and access rights for the same, and for the planning, designing, engineering, acquisition, installation, construction, repair, reconstruction, maintenance, operation, or administration of transit-related projects, including, but not limited to, designated bicycle or pedestrian lanes of highway and infrastructure needed to integrate different transportation modes within a multimodal transportation system, AS MATCHING MONEY FOR PROJECTS RECEIVING FUNDING FROM THE MULTIMODAL TRANSPORTATION OPTIONS FUND PURSUANT TO EITHER SECTIONS 43-4-1103 (2)(a) OR (b), and for no other purpose; ~~except that a city or an incorporated town may expend no more than fifteen percent of the total amount expended under this subsection (1) for transit-related operational purposes and except that moneys~~ EXCEPT THAT MONEY paid to the cities and incorporated towns pursuant to section 43-4-205 (6.3) shall be expended by the cities and incorporated towns only for road safety projects, as defined in section 43-4-803 (21). The amount ~~to be~~ expended for administrative purposes shall not exceed five percent of each city's share of the funds available.

(2) For the purpose of allocating ~~moneys~~ MONEY in the highway users tax fund to the various cities and incorporated towns throughout the state, the following method is adopted:

(a) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (6) OF THIS SECTION, eighty percent shall be allocated to the cities and incorporated towns in proportion to the adjusted urban motor vehicle registration in each city and incorporated town. The term "urban motor vehicle registration" includes all passenger, truck, truck-tractor, and motorcycle registrations. The number of registrations used in computing the percentage shall be those certified to the state treasurer by the department of revenue as constituting the urban motor vehicle registration for the last preceding year. The adjusted registration shall be computed by applying a factor to the actual number of such registrations to reflect the increased standards and costs of construction resulting from the concentration of vehicles in cities and incorporated places. For this purpose the following table of actual registration numbers and factors shall be employed:

Actual registrations Factor

1 -- 500 1.0

501 -- 1,250 1.1

1,251 -- 2,500	1.2
2,501 -- 5,000	1.3
5,001 -- 12,500	1.4
12,501 -- 25,000	1.5
25,001 -- 50,000	1.6
50,001 -- 85,000	1.7
85,001 -- 130,000	1.8
130,001 -- 185,000	1.9
185,001 and over	2.0

(6) (a) In addition to the provisions of subsection (2)(a) of this section, on or after July 1, 1979, eighty percent of all additional ~~fund~~ MONEY becoming available to cities and incorporated towns from the highway users tax fund pursuant to sections 24-75-215 ~~C.R.S.~~, and 43-4-205 (6)(b)(III) AND (6)(c) AND, ON AND AFTER JANUARY 1, 2019, EIGHTY PERCENT OF THE MONEY CREDITED TO THE LOCAL TRANSPORTATION PRIORITIES FUND AS REQUIRED BY SECTION 39-26-123 (7)(a)(II) THAT IS REQUIRED BY SUBSECTION (1) OF THIS SECTION TO BE PAID TO THE CITIES AND INCORPORATED TOWNS WITHIN THE LIMITS OF THE RESPECTIVE COUNTIES shall be allocated to the cities and incorporated towns in proportion to the adjusted urban motor vehicle registration in each city and incorporated town. The term "urban motor vehicle registration", as used in this section, includes all passenger, truck, truck-tractor, and motorcycle registrations. The number of registrations used in computing the percentage shall be those certified to the state treasurer by the department of revenue as constituting the urban motor vehicle registration for the last preceding year. The adjusted registration shall be computed by applying a factor to the actual number of such registrations to reflect the increased standards and costs of construction resulting from the concentration of vehicles in cities and incorporated places. For this purpose the following table of actual registration numbers and factors shall be employed:

Actual registrations Factor

1 -- 500	1.0
501 -- 1,250	1.1
1,251 -- 2,500	1.2

2,501 -- 5,000 1.3
5,001 -- 12,500 1.4
12,501 -- 25,000 1.5
25,001 -- 50,000 1.6
50,001 -- 85,000 1.7
85,001 -- 125,000 1.8
125,001 -- 165,000 1.9
165,001 -- 205,000 2.0
205,001 -- 245,000 2.1
245,001 -- 285,000 2.2
285,001 -- 325,000 2.3
325,001 -- 365,000 2.4
365,001 -- 405,000 2.5
405,001 -- 445,000 2.6
445,001 -- 485,000 2.7
485,001 -- 525,000 2.8
525,001 -- 565,000 2.9
565,001 -- 605,000 3.0

SECTION 14. In Colorado Revised Statutes, 43-4-705, **amend** (13) as follows:

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

(13) (a) Notwithstanding any other provision of this part 7 to the contrary, the executive director shall have the authority to issue revenue anticipation notes pursuant to this part 7 only if voters statewide approve the ballot question submitted at the November, 1999, statewide election pursuant to section 43-4-703 (1) and only then to the extent allowed under the maximum amounts of debt and repayment cost so approved.

(b) THE EXECUTIVE DIRECTOR SHALL ISSUE ADDITIONAL REVENUE ANTICIPATION NOTES IN A MAXIMUM TOTAL PRINCIPAL AMOUNT OF THREE BILLION AND SEVEN HUNDRED, TWENTY MILLION DOLLARS AND WITH A MAXIMUM TOTAL REPAYMENT COST OF SIX BILLION AND TWO HUNDRED MILLION DOLLARS, BASED ON THE TRANSFER OF GENERAL FUND MONEYS AUTHORIZED BY SENATE BILL 18-001 OR COMPARABLE TRANSPORTATION

FUNDING LEGISLATION THAT IS ENACTED AT THE SECOND REGULAR SESSION OF THE SEVENTY-FIRST GENERAL ASSEMBLY HELD IN 2018, AND UP TO \$30 MILLION PER YEAR OF MULTIMODAL OPTIONS FUNDS AS DETERMINED BY THE COMMISSION PURSUANT TO SECTION 43-4-1103(2)(a). THE MAXIMUM REPAYMENT TERM FOR ANY NOTES ISSUED PURSUANT TO THIS SUBSECTION (13)(b) IS TWENTY YEARS, AND THE CERTIFICATE, TRUST INDENTURE, OR OTHER INSTRUMENT AUTHORIZING THEIR ISSUANCE SHALL PROVIDE THAT THE STATE MAY PAY THE NOTES IN FULL BEFORE THE END OF THE SPECIFIED PAYMENT TERM WITHOUT PENALTY.

(c) NOTWITHSTANDING SECTION 43-1-113 (19) AND SUBSECTION (12)(a) OF THIS SECTION, BEFORE ISSUING ANY REVENUE ANTICIPATION NOTES AS AUTHORIZED BY SUBSECTION (13)(b) OF THIS SECTION, THE TRANSPORTATION COMMISSION SHALL ADOPT A RESOLUTION PLEDGING TO ANNUALLY ALLOCATE FROM LEGALLY AVAILABLE MONEY UNDER ITS CONTROL ANY AMOUNT NEEDED FOR PAYMENT OF THE NOTES UNTIL THE NOTES ARE FULLY REPAID.

SECTION 15. In Colorado Revised Statutes, **amend** 43-4-713 as follows:

43-4-713. Annual reports - provision of information of website. (1) No later than ~~January 15, 2001~~ JANUARY 15, 2020, and no later than January 15 of each year thereafter, the executive director shall submit a report to ~~the members of the joint budget committee of the general assembly, the members of the legislative audit committee of the general assembly, the members of the transportation and energy committee of the house of representatives, and the members of the transportation committee of the senate~~ that includes, at a minimum, the following information:

- (a) The total amount of ADDITIONAL revenue anticipation notes issued by the executive director ~~in accordance with this part 7~~ AS AUTHORIZED BY SECTION 43-4-705 (13)(b);
- (b) The ~~qualified federal aid~~ transportation projects, INCLUDING MULTIMODAL CAPITAL PROJECTS, THAT ARE ON THE DEPARTMENT'S PRIORITY LIST FOR TRANSPORTATION FUNDING AND for which the proceeds from ~~such~~ THE ADDITIONAL revenue anticipation notes have been expended, the amount of note proceeds expended on each

project, the status of each project, THE ACTUAL COST OF EACH COMPLETED PROJECT, and the estimated date of completion for ~~such~~ ANY projects not yet completed;

(c) The total amount of ~~federal~~ transportation funds paid to the department since ~~such~~ THE ADDITIONAL revenue anticipation ~~have been~~ WERE issued; and

(d) The total amount of proceeds from the issuance of THE ADDITIONAL revenue anticipation notes, state matching funds, and federal transportation funds allocated by the commission in each state fiscal year for the payment of ~~such~~ THE ADDITIONAL revenue anticipation notes and the costs associated with the issuance and administration of such notes.

(2) IN ADDITION TO POSTING AND MAINTAINING THE ANNUAL REPORTS REQUIRED BY SUBSECTION (1) OF THIS SECTION ON ITS WEBSITE, THE DEPARTMENT SHALL POST AND MAINTAIN ON ITS WEBSITE IN AN EASILY ACCESSIBLE AND USER-FRIENDLY FORMAT, AND REGULARLY UPDATE, THE INFORMATION REQUIRED TO BE INCLUDED IN ITS ANNUAL REPORTS PURSUANT TO SUBSECTION (1)(b) OF THIS SECTION. NOTWITHSTANDING SECTION 24-1-136 (11)(a), THE REPORTING REQUIREMENT SPECIFIED IN SUBSECTION (1) OF THIS SECTION CONTINUES UNTIL THE YEAR FOLLOWING THE YEAR IN WHICH THE LAST PAYMENT ON ADDITIONAL REVENUE ANTICIPATION NOTES ISSUED AS AUTHORIZED BY SECTION 43-4-705 (13)(b) IS MADE.

SECTION 16. In Colorado Revised Statutes, add 43-4-714.5 as follows:

43-4-714.5. Transportation revenue anticipation notes citizen oversight committee - creation - appointment of members - charge - report.

(1) (a) THE TRANSPORTATION REVENUE ANTICIPATION NOTES CITIZEN OVERSIGHT COMMITTEE IS HEREBY CREATED TO PROVIDE OVERSIGHT OF THE EXPENDITURE BY THE DEPARTMENT OF THE PROCEEDS OF ADDITIONAL REVENUE ANTICIPATION NOTES ISSUED AS AUTHORIZED BY SECTION 43-4-705 (13)(b). THE COMMITTEE CONSISTS OF THE EXECUTIVE DIRECTOR OF THE DEPARTMENT, OR HIS DESIGNEE, AND FOURTEEN APPOINTED MEMBERS, AT LEAST ONE OF WHOM MUST BE APPOINTED FROM AND ACTUALLY RESIDE IN EACH OF THE ELEVEN TRANSPORTATION COMMISSION DISTRICTS OF THE STATE CREATED IN SECTION 43-1-106 (2) AND THE REMAINING THREE OF WHOM SERVE

AS AT-LARGE MEMBERS OF THE COMMITTEE, WHO MUST BE APPOINTED AS FOLLOWS:

(I) THE GOVERNOR SHALL APPOINT SIX MEMBERS OF THE COMMITTEE, AND NO MORE THAN FOUR OF THE MEMBERS APPOINTED BY THE GOVERNOR SHALL BE AFFILIATED WITH THE SAME POLITICAL PARTY;

(II) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL APPOINT TWO MEMBERS OF THE COMMITTEE;

(III) THE PRESIDENT OF THE SENATE SHALL APPOINT TWO MEMBERS OF THE COMMITTEE;

(IV) THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES SHALL APPOINT TWO MEMBERS OF THE COMMITTEE; AND

(V) THE MINORITY LEADER OF THE SENATE SHALL APPOINT TWO MEMBERS OF THE COMMITTEE.

(b) COMMITTEE MEMBERS SERVE FOR FOUR-YEAR TERMS AND MAY BE REMOVED FOR CAUSE BY THE APPOINTING AUTHORITY; EXCEPT THAT THE INITIAL TERMS OF THREE OF THE MEMBERS APPOINTED BY THE GOVERNOR, AND ONE OF THE MEMBERS APPOINTED BY EACH OF THE OTHER APPOINTING AUTHORITIES, AS DESIGNATED BY THE GOVERNOR OR OTHER APPOINTING AUTHORITY, ARE TWO YEARS. COMMITTEE MEMBERS RECEIVE NO COMPENSATION OR REIMBURSEMENT FOR THEIR SERVICE ON THE COMMITTEE.

(c) THE APPOINTING AUTHORITIES SHALL CONSULT WITH EACH OTHER TO ENSURE THAT THE MEMBERSHIP OF THE COMMITTEE INCLUDES:

(I) A MEMBER WHO HAS PROFESSIONAL PUBLIC FINANCE EXPERIENCE;

(II) A MEMBER WHO IS A CERTIFIED PUBLIC ACCOUNTANT;

(III) A MEMBER WHO IS A LICENSED ATTORNEY;

(IV) A MEMBER WHO IS A CONTRACTOR WITH EXPERIENCE WORKING ON TRANSPORTATION INFRASTRUCTURE PROJECTS;

(V) A MEMBER WHO IS A LICENSED CIVIL ENGINEER; AND

(VI) A MEMBER WHO IS A TRANSIT PROFESSIONAL.

(d) A COMMITTEE MEMBER WHO IS APPOINTED FROM A TRANSPORTATION COMMISSION DISTRICT IS DEEMED TO HAVE RESIGNED FROM THE COMMITTEE IF THE MEMBER CEASES TO RESIDE IN THE DISTRICT.

(2) THE COMMITTEE SHALL MEET AT LEAST TWO TIMES PER YEAR BUT NOT MORE THAN FOUR TIMES PER YEAR TO EXAMINE THE EXPENDITURE BY THE DEPARTMENT OF ANY PROCEEDS OF TRANSPORTATION REVENUE ANTICIPATION NOTES ISSUED AS AUTHORIZED BY SECTION 43-4-705 (13)(b) AND VERIFY THAT SUCH NOTE PROCEEDS ARE EXPENDED APPROPRIATELY, TRANSPARENTLY, EFFECTIVELY, AND EFFICIENTLY.

(3) (a) THE COMMITTEE SHALL ANNUALLY REPORT TO THE TRANSPORTATION LEGISLATION REVIEW COMMITTEE CREATED IN SECTION 43-2-145 REGARDING ITS ACTIVITIES AND FINDINGS.

(b) NOTWITHSTANDING SECTION 24-1-136 (11)(a), THE REPORTING REQUIREMENT SPECIFIED IN SUBSECTION (3)(a) OF THIS SECTION CONTINUES UNTIL THE YEAR FOLLOWING THE YEAR IN WHICH THE LAST PAYMENT ON ADDITIONAL REVENUE ANTICIPATION NOTES ISSUED AS AUTHORIZED BY SECTION 43-4-705 (13)(b) IS MADE.

(c) THE COMMITTEE SHALL TERMINATE AFTER IT FILES ITS FINAL REPORT AS AUTHORIZED IN THIS SECTION.

SECTION 17. In Colorado Revised Statutes, add part 11 to article 4 of title 43 as follows:

PART 11

MULTIMODAL TRANSPORTATION OPTIONS FUNDING

43-4-1101. Legislative declaration. (1) THE PEOPLE OF THE STATE HEREBY FIND AND DECLARE THAT:

(a) BY APPROVING THE BALLOT ISSUE SUBMITTED AT THE NOVEMBER, 2018 STATEWIDE ELECTION PURSUANT TO SECTION 43-4-705 (13)(b), THE VOTERS OF THE STATE AUTHORIZED THE STATE TO COLLECT, AND THE STATE AND LOCAL GOVERNMENTS TO RETAIN AND SPEND, A SUBSTANTIAL AMOUNT OF NEW DEDICATED FUNDING WHICH WILL BE USED, IN PART, TO ACCELERATE THE COMPLETION OF PLANNED HIGHWAY PROJECTS THROUGHOUT THE STATE;

(b) IT IS NECESSARY, APPROPRIATE, AND IN THE BEST INTEREST OF THE STATE TO USE A PORTION OF THE NEWLY AUTHORIZED DEDICATED TRANSPORTATION FUNDING TO FUND MULTIMODAL TRANSPORTATION PROJECTS AND OPERATIONS THROUGHOUT THE STATE AS AUTHORIZED BY THIS PART 11 BECAUSE, IN ADDITION TO THE GENERAL BENEFITS THAT IT PROVIDES TO ALL COLORADANS, AN INTEGRATED MULTIMODAL TRANSPORTATION SYSTEM:

- (I) BENEFITS SENIORS BY MAKING AGING IN PLACE MORE FEASIBLE FOR THEM;
- (II) BENEFITS RESIDENTS OF RURAL AREAS BY PROVIDING THEM WITH FLEXIBLE PUBLIC TRANSPORTATION SERVICES;
- (III) PROVIDES ENHANCED MOBILITY FOR PERSONS WITH DISABILITIES; AND
- (IV) PROVIDES SAFE ROUTES TO SCHOOLS FOR CHILDREN.

43-4-1102. Definitions. AS USED IN THIS PART 11, UNLESS THE CONTEXT OTHERWISE REQUIRES:

- (1) "COMMISSION" MEANS THE TRANSPORTATION COMMISSION CREATED IN SECTION 43-1-106 (1).
- (2) "DEPARTMENT" MEANS THE DEPARTMENT OF TRANSPORTATION.
- (3) "FUND" MEANS THE MULTIMODAL TRANSPORTATION OPTIONS FUND CREATED IN SECTION 43-4-1103 (1).
- (4) "MULTIMODAL TRANSPORTATION OPTIONS" MEANS CAPITAL OR OPERATING COSTS FOR FIXED ROUTE AND ON-DEMAND TRANSIT; TRANSPORTATION DEMAND MANAGEMENT PROGRAMS; MULTIMODAL MOBILITY PROJECTS ENABLED BY NEW TECHNOLOGY; MULTIMODAL TRANSPORTATION STUDIES; AND BICYCLE OR PEDESTRIAN PROJECTS.

43-4-1103. Multimodal transportation options fund – creation - revenue source for fund - use of fund. (1) THE MULTIMODAL TRANSPORTATION OPTIONS FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF SALES AND USE TAX NET REVENUE THAT IS ATTRIBUTABLE TO THE ADDITIONAL SALES AND USE TAXES LEVIED PURSUANT TO SECTIONS 39-26-106 (1)(a)(II) AND 39-26-202 (1)(b) AND THAT IS CREDITED TO THE FUND PURSUANT TO SECTION 39-26-123 (7)(b) AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. THE STATE TREASURER SHALL

CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND.

(2) MONEY MUST BE EXPENDED FROM THE FUND AS FOLLOWS:

(a) UP TO THIRTY MILLION DOLLARS PER YEAR TO BE EXPENDED TO MAKE PRINCIPAL AND INTEREST PAYMENTS ON TRANSPORTATION REVENUE ANTICIPATION NOTES FOR THOSE MULTIMODAL PROJECTS SELECTED BY THE TRANSPORTATION COMMISSION WHERE A STATE AGENCY, LOCAL GOVERNMENT OR LOCAL TRANSIT AGENCY HAS COMMITTED TO PROVIDE REQUIRED MATCHING FUNDS EQUAL TO THE AMOUNT EXPENDED FROM THE FUND FOR A PROJECT;

(b) EIGHTY-FIVE PERCENT OF THE REMAINING REVENUE IN THE FUND FOR LOCAL MULTIMODAL PROJECTS TO BE DETERMINED AS PROVIDED IN SECTION 43-1-106 (8)(t)(II) ; AND

(c) THE FINAL FIFTEEN PERCENT OF REVENUE TO BE EXPENDED ON MULTIMODAL PROJECTS THAT ARE SELECTED BY THE TRANSPORTATION COMMISSION AS PROVIDED IN SECTION 43-1-106 (8)(t)(I).

SECTION 18. Effective date. This act takes effect on January 1, 2019.