

MAY 03 2017

IN THE SUPREME COURT, STATE OF COLORADO
2 E. 14th Street, Denver CO 80203

OF THE STATE OF COLORADO
Christopher T. Ryan, Clerk

DATE FILED: May 3, 2017

Dennis Polhill, protestor,

v.

Colorado Title-Setting Board, respondent,

Case: 17SA90

and

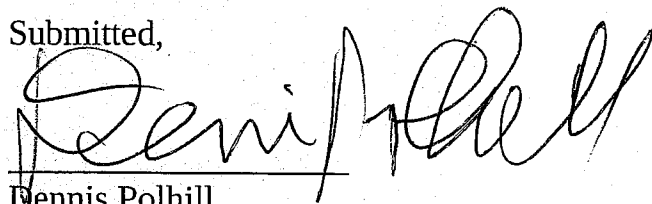
James Moody and Anthony Milo,
real parties in interest.

PROTEST OF INITIATIVES #23 THROUGH #28

Protestor Dennis Polhill is a registered Colorado elector. He filed a motion for rehearing on initiatives #23 through #28, which are six slight variations on the same long proposal. At the April 28, 2017 rehearing, the wording was modified. He is not satisfied with the amended titles and asserts that each of the six measures contains multiple subjects.

He attaches certified copies of the documents regarding each of the six texts. This protest is timely filed pursuant to 1-40-107 (2) C.R.S.

Submitted,



Dennis Polhill
49 S. Lookout Mountain
Golden CO 80401
(303) 526-2302

Name of Court:		▲ COURT USE ONLY ▲
Court Address:		
In Re: Petitioner: DENNIS POLHILL Respondent/Co-Petitioner:		
Attorney or Party Without Attorney (Name and Address): 49 S. LOOKOUT MTN RD. GOLDEN, CO. 80401 Phone Number: 303-871-7331 E-mail: D.POLHILL@AOL.COM FAX Number: Atty. Reg.#:		Case Number: Division: Courtroom:
CERTIFICATE OF SERVICE		

I certify that:

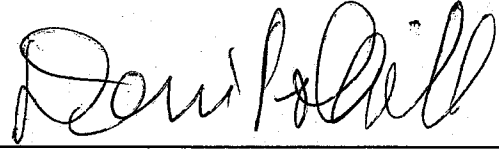
- The original and one copy of the TITLE PROTEST OF #23 - #28
(name of document)
 was mailed OR delivered to the Clerk of the Court; and
- A true and accurate copy of the same document was hand delivered OR faxed to this number _____ OR placed in the United States mail, postage prepaid, and addressed to the following parties on this date: 5/3/17.

TO: TITLE SETTING BOARD
1700 BROADWAY, #200
DENVER, CO. 80261

JAMES MOODY
 2029 VINTA ST.
 DENVER, CO.

ANTHONY MILD
 5534 E. 140TH DR.
 THORNTON, CO.

MARK GUESTIKY
 1600 STOUT ST.
 #1000
 DENVER, CO. 80202



Petitioner OR Respondent/Co-Petitioner

49 S. LOOKOUT MTN RD
 Address
GOLDEN, CO. 80401
 City, State, Zip Code
303-870-7331
 (Area Code) Telephone Number (home and work)



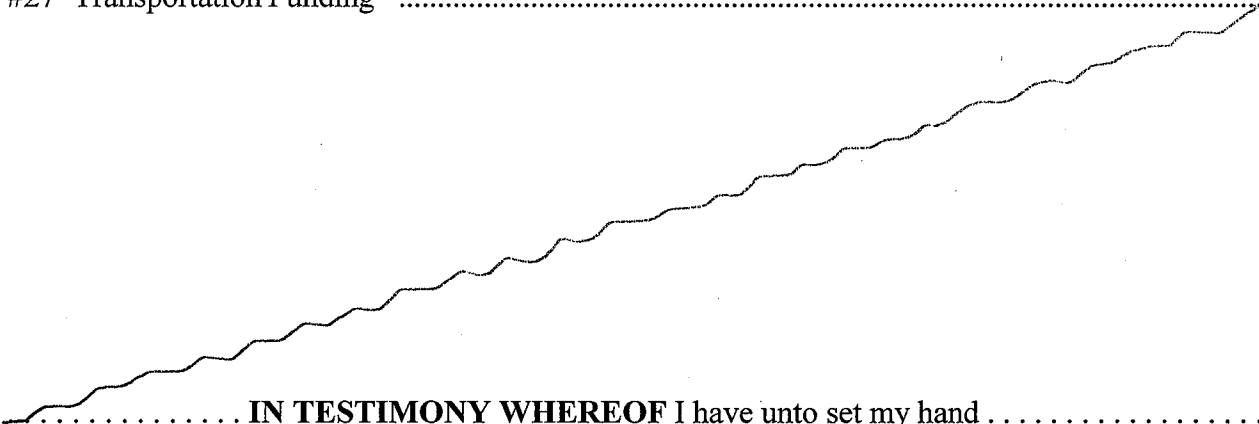
STATE OF COLORADO

DEPARTMENT OF
STATE

CERTIFICATE

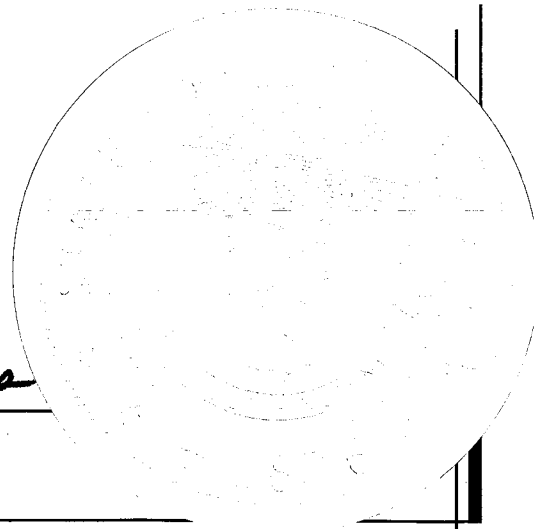
I, **WAYNE W. WILLIAMS**, Secretary of State of the State of Colorado, do hereby certify that:

the attached are true and exact copies of the final text, initial fiscal impact statement, abstract, motion for rehearing, and the rulings thereon of the Title Board for Proposed Initiative "2017-2018 #27 'Transportation Funding'".....



..... **IN TESTIMONY WHEREOF** I have unto set my hand
and affixed the Great Seal of the State of Colorado, at the
City of Denver this 3rd day of May, 2017.

Wayne W. Williams
SECRETARY OF STATE



RECEIVED

APR 07 2017

S. WARD

2:32 P.M.

Colorado Secretary of State

#27 – Final version

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.

SECTION 2. In Colorado Revised Statutes, 24-1-128.7, add (8) as follows:

24-1-128.7. Department of transportation - creation - repeal.

(8) THE MULTIMODAL TRANSPORTATION OPTIONS COMMITTEE CREATED IN SECTION 43-4-1104 (1) SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS AS IF THE SAME WERE TRANSFERRED BY A TYPE 1 TRANSFER, AS DEFINED IN SECTION 24-1-105, TO THE DEPARTMENT OF TRANSPORTATION.

SECTION 3. In Colorado Revised Statutes, 24-75-219, amend (2)(c) introductory portion, (3)(b), and (4)(a) introductory portion; and repeal (1)(c) and (2)(c)(I) as follows:

24-75-219. Transfers - transportation - capital construction -

definitions. (1) As used in this section, unless the context otherwise requires:

(c) ~~(c) "Funds" means the highway users tax fund and the capital construction fund.~~

(2) (c) For each state fiscal year from state fiscal year 2017-18 through the state fiscal year 2019-20, the state treasurer shall transfer from the general fund to the:

(1) ~~(1) Highway users tax fund, an amount equal to two percent of the total general fund revenues for the state fiscal year in which the transfer is made; and~~

(3) (b) Except as otherwise ~~set forth~~ PROVIDED in subsection (4) of this section, the transfers required pursuant to ~~paragraph (c) of subsection (2)~~ SUBSECTION (2)(c)(II) of this section shall MUST be made as follows:

(1) On the fifteenth day of the first month of each quarter of each state fiscal year in which the transfers are required, an amount equal to twenty percent of the total ~~amounts that are~~ AMOUNT THAT IS required to be transferred to ~~the highway users tax fund and the capital construction fund for such~~ THE state fiscal year, which ~~amounts shall~~ AMOUNT MUST be based on the most recent revenue estimate prepared by legislative council staff that is available at the time of the ~~transfers~~ TRANSFER, shall be transferred to the ~~respective funds~~ FUND.

(II) On the date during the state fiscal year on which the state controller distributes the comprehensive annual financial report of the state, the state treasurer shall transfer an amount equal to the ~~differences~~-DIFFERENCE between the actual ~~amounts~~-AMOUNT required to be transferred to the ~~funds~~-CAPITAL CONSTRUCTION FUND and the TOTAL OF THE estimated amounts previously transferred pursuant to ~~subparagraph (I) of this paragraph (b)~~ SUBSECTION (3)(b)(I) of this section.

(4) (a) For any state fiscal year for which there are excess state revenues that are required to be refunded pursuant to section 20 of article X of the state constitution, the quarterly and year-end amounts that are required to be transferred to the ~~funds~~-CAPITAL CONSTRUCTION FUND pursuant to ~~paragraph (b) of subsection (3)~~-SUBSECTION (3)(b) of this section shall:

SECTION 4. 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, 2018, AND ON AND AFTER JANUARY 1, 2038, AND AN AMOUNT EQUAL TO THREE AND FORTY ONE-HUNDREDTHS PERCENT OF ALL SALES MADE ON AND AFTER JANUARY 1, 2018, BUT BEFORE JANUARY 1, 2038, by the retailer of commodities or services as specified in section 39-26-104.

SECTION 5. 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, 2018, BUT BEFORE JANUARY 1, 2038, 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~~-FIFTY 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 6. 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, 2018, AND ON AND AFTER JANUARY 1, 2038, OR COLLECTS AS A TAX AN AMOUNT IN EXCESS OF THREE AND FORTY HUNDREDTHS PERCENT OF ALL TAXABLE SALES MADE ON OR AFTER JANUARY 1, 2018, BUT BEFORE JANUARY 1, 2038, 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 7. 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 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) THE STATE TREASURER SHALL CREDIT EIGHTY-FIVE PERCENT OF THE ANNUAL NET REVENUE COLLECTED DURING EACH STATE FISCAL YEAR TO THE HIGHWAY USERS TAX FUND FOR ALLOCATION TO THE STATE, COUNTIES, AND MUNICIPALITIES AS SPECIFIED IN SECTIONS 43-4-206 (4), 43-4-207 (1) AND (2)(b), AND 43-4-208 (1) AND (6)(a); AND

(II) THE STATE TREASURER SHALL CREDIT FIFTEEN PERCENT OF THE ANNUAL NET REVENUE COLLECTED DURING EACH STATE FISCAL YEAR TO THE MULTIMODAL TRANSPORTATION OPTIONS FUND, AND SPECIFICALLY TO THE TRANSPORTATION OPTIONS ACCOUNT AND THE PEDESTRIAN AND ACTIVE TRANSPORTATION ACCOUNT OF THE FUND IN THE PERCENTAGES DESIGNATED BY THE TRANSPORTATION COMMISSION PURSUANT TO SECTION 43-4-1103 (2), FOR USE AS AUTHORIZED BY PART 11 OF ARTICLE 4 OF TITLE 43.

(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 HIGHWAY USERS TAX FUND AND THE MULTIMODAL TRANSPORTATION OPTIONS FUND IN THE MANNER SPECIFIED IN SUBSECTION (7)(a) OF THIS SECTION.

SECTION 8. 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, 2018, BUT BEFORE JANUARY 1, 2038, 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-FIFTY~~ 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 9. 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, 2017 ELECTION AND IMPOSED IN SECTIONS 39-26-106 (1)(a)(II) AND 39-26-202(b), AND PROCEEDS OF THE ADDITIONAL TRANSPORTATION REVENUE ANTICIPATION NOTES, AUTHORIZED AT THE NOVEMBER, 2017 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 10. 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 11. In Colorado Revised Statutes, 43-1-117.5, **amend** (3)(a) introductory portion, (3)(a)(VI), and (3)(a)(VII); and **add** (3)(a)(VIII) as follows:

43-1-117.5. Transit and rail division - created - powers and duties. (3) (a) The transit and rail division ~~shall be~~ IS responsible for the planning, development, operation, and integration of transit and rail, including, where appropriate, advanced guideway systems, into the statewide transportation system AND shall, in coordination with other transit and rail providers, plan, promote, and implement investments in transit and rail services statewide. ~~and shall have~~ THE DIVISION ALSO HAS the following specific powers and duties:

(VI) To support the department in representing the state with respect to the development of intercity rail facilities, including but not limited to submission of applications to the United States department of transportation for approval and funding of high-speed rail projects, commissioning of any necessary studies, and coordination with other states to facilitate such applications; ~~and~~

(VII) To coordinate and cooperate with regional transportation authorities created pursuant to part 6 of article 4 of this ~~title~~-TITLE 43 and other regional or corridor-specific entities concerned with the planning, development, operation, and integration of transit, passenger rail, or advanced guideway systems in the statewide transportation system; AND

(VIII) AS DIRECTED BY AND UNDER THE SUPERVISION OF THE MULTIMODAL TRANSPORTATION OPTIONS COMMITTEE CREATED IN SECTION 43-4-1104 (1), TO ASSIST THE COMMITTEE IN DETERMINING THE ALLOCATION OF MONEY IN THE TRANSPORTATION OPTIONS ACCOUNT OF THE MULTIMODAL TRANSPORTATION OPTIONS FUND CREATED IN SECTION 43-4-1103 (2) BY SOLICITING, RECEIVING, AND EVALUATING APPLICATIONS FOR TRANSPORTATION OPTIONS PROJECT FUNDING FROM LOCAL GOVERNMENTS AND TRANSIT AGENCIES THROUGHOUT

THE STATE AND PROPOSING FUNDING FOR INTERREGIONAL TRANSPORTATION
OPTIONS PROJECTS.

SECTION 12. In Colorado Revised Statutes, 43-4-206, **amend** (1) introductory portion, (2)(a), (2)(b), and (3); and **add** (4) as follows:

43-4-206. State allocation. (1) Except as otherwise provided in ~~subsection (2)~~ SUBSECTIONS (2), (3), AND (4) of this section, 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, MONEY IN the highway users tax fund shall be paid to the state highway fund IN ACCORDANCE WITH SECTION 43-4-205 and ~~shall be expended~~ for the following purposes:

~~(2) (a) Notwithstanding the provisions of subsection (1) of this section, the revenues~~ REVENUE accrued to and transferred to the highway users tax fund pursuant to section 39-26-123 (4)(a) or 24-75-219, ~~C.R.S.~~ or appropriated to the highway users tax fund pursuant to House Bill 02-1389, enacted at the second regular session of the sixty-third general assembly, and credited to the state highway fund pursuant to section 43-4-205 (6.5) shall be expended by the department of transportation for the implementation of the strategic transportation project investment program. ~~in the following manner:~~

~~(I) No more than ninety percent of such revenues shall be expended for highway purposes or highway related capital improvements, including, but not limited to, high occupancy vehicle lanes, park and ride facilities, and transportation management systems, and at least ten percent of such revenues shall be expended for transit purposes or for transit related capital improvements.~~

~~(II) (Deleted by amendment, L. 2000, p. 1741, § 1, effective June 1, 2000.)~~

(b) Beginning in 1998, the department of transportation shall report annually to the transportation committee of the senate and the transportation and energy committee of the house of representatives concerning the ~~revenues~~ REVENUE expended by the department pursuant to ~~paragraph (a) of this subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION AND, BEGINNING IN 2018, SUBSECTION (4) OF THIS SECTION. The DEPARTMENT SHALL PRESENT THE report ~~shall be presented~~ at the joint meeting required under section 43-1-113 (9)(a) and THE REPORT shall describe for each fiscal year, if applicable:

(I) The projects on which the ~~revenues~~ REVENUE credited to the state highway fund pursuant to ~~paragraph (a) of this subsection (2)~~ ~~are~~ SUBSECTIONS (2) AND (4) OF THIS SECTION IS to be expended, including the estimated cost of each project, the aggregate amount of revenue actually spent on each project, and the amount of revenue allocated for each project in such fiscal year. The department of transportation shall submit a prioritized list of such projects as part of the report.

(II) The status of such projects that the department has undertaken in any previous fiscal year;

(III) The projected amount of revenue that the department expects to receive under this subsection (2) AND SUBSECTION (4) OF THIS SECTION during ~~such~~ THE fiscal year;

(IV) The amount of revenue that the department has already received under this subsection (2) AND SUBSECTION (4) OF THIS SECTION during ~~such~~ THE fiscal year; and

(V) How the ~~revenues~~ REVENUE expended under this subsection (2) during ~~such~~ THE fiscal year ~~relate~~ RELATES to the total funding of the FEDERAL AID TRANSPORTATION PROJECTS, INCLUDING MULTIMODAL CAPITAL PROJECTS, THAT ARE INCLUDED IN THE strategic transportation project investment program.

(3) ~~Notwithstanding the provisions of subsection (1) of this section, the revenues~~ THE REVENUE credited to the highway users tax fund pursuant to section 43-4-205 (6.3) shall be expended by the department of transportation only for road safety projects, as defined in section 43-4-803 (21); except that the department shall, in furtherance of its duty to supervise state highways and as a consequence in compliance with section 43-4-810, expend ten million dollars per year of the revenues 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, that enhance the safety of state highways for transit users.

(4) FORTY-ONE AND TWO-TENTHS PERCENT OF THE ANNUAL 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 THE STATE TREASURER CREDITS TO THE HIGHWAY USERS TAX FUND AS REQUIRED BY SECTION 39-26-123 (7)(a), SHALL BE PAID TO THE STATE

HIGHWAY FUND AND EXPENDED BY THE DEPARTMENT OF TRANSPORTATION AS FOLLOWS:

(a) AS MUCH OF THE ANNUAL NET REVENUE AS IS NEEDED TO MAKE FULL PAYMENTS OF AMOUNTS ALLOCATED BY THE TRANSPORTATION COMMISSION ON AN ANNUAL BASIS PURSUANT TO SECTION 43-1-113, MUST BE EXPENDED TO MAKE PAYMENTS ON REVENUE ANTICIPATION NOTES ISSUED PURSUANT TO SECTION 43-4-705 (13)(b), PROVIDED THAT SUCH AMOUNTS MAY BE EXPENDED ONLY AFTER THE EXPENDITURE OF ONE HUNDRED FIFTY MILLION DOLLARS OF GENERAL FUND MONEYS, ALLOCATED TO THE STATE HIGHWAY FUND IN EACH OF TWENTY FULL FISCAL YEARS OF COLLECTION OF THE ADDITIONAL SALES AND USE TAXES LEVIED PURSUANT TO SECTIONS 39-26-106 (1)(a)(II) AND 39-26-202 (1)(b), TO MAKE PAYMENTS ON THE REVENUE ANTICIPATION NOTES ISSUED PURSUANT TO SECTION 47-7-405(13)(b); AND

(b) THE REMAINDER OF NET REVENUE UNDER THIS SUBSECTION (4), IF ANY, MUST BE EXPENDED ON PRIORITY MAINTENANCE AND PRIORITY CONSTRUCTION PROJECTS, INCLUDING MULTIMODAL CAPITAL PROJECTS, AS DETERMINED BY THE COMMISSION.

SECTION 13. 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 FIFTY PERCENT OF THE 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), THAT THE STATE TREASURER CREDITS TO THE HIGHWAY USERS TAX FUND AS REQUIRED BY SECTION 39-26-123 (7)(a), AND THAT REMAINS AFTER THE PAYMENT OF SUCH REVENUE TO THE STATE HIGHWAY

FUND REQUIRED BY SECTION 43-4-206 (4) IS MADE 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 (3)(a) AND 43-4-1104 (3)(c) OR SECTION 43-4-1003 (3)(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 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 14. 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 FIFTY PERCENT OF THE 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), THAT THE STATE TREASURER CREDITS TO THE HIGHWAY USERS TAX FUND AS REQUIRED BY SECTION 39-26-123 (7)(a), AND THAT REMAINS AFTER THE PAYMENT OF SUCH REVENUE TO THE STATE HIGHWAY FUND REQUIRED BY SECTION 43-4-206 (4) IS MADE 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 (3)(a) AND 43-4-1104 (3)(c) OR SECTION 43-4-1003 (3)(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 funds 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, 2018, EIGHTY PERCENT OF THE MONEY CREDITED TO THE HIGHWAY USERS TAX FUND AS REQUIRED BY SECTION 39-26-123 (7)(a) 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 15. 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) AFTER THE REPAYMENT IN FULL OF ALL REVENUE ANTICIPATION NOTES ISSUED AS AUTHORIZED BY SUBSECTION (13)(a) OF THIS SECTION, THE EXECUTIVE DIRECTOR SHALL BE AUTHORIZED TO ISSUE ADDITIONAL REVENUE ANTICIPATION NOTES IN A MAXIMUM AMOUNT OF THREE AND ONE-HALF BILLION DOLLARS AND WITH A MAXIMUM REPAYMENT COST OF FIVE BILLION DOLLARS. 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.

SECTION 16. 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, 2019, 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 17. In Colorado Revised Statutes, amend 43-4-714 as follows:

43-4-714. Priority of strategic transportation project investment program. (1) If the executive director issues any revenue anticipation notes in accordance with the provisions of this part 7, the proceeds from the sale of such notes that are not otherwise pledged for the payment of such notes shall be used for the qualified federal aid transportation projects included in the strategic transportation project investment program of the department of transportation.

(2) IN ADDITION TO THE REQUIREMENT SPECIFIED IN SUBSECTION (1) OF THIS SECTION, PROCEEDS FROM THE SALE OF ANY ADDITIONAL

REVENUE ANTICIPATION NOTES THAT THE EXECUTIVE DIRECTOR ISSUES PURSUANT TO SECTION 43-4-705 (13)(b) THAT ARE NOT OTHERWISE PLEDGED FOR THE PAYMENT OF THE NOTES IN THE PROCEEDINGS OR CONTRACTS GOVERNING THE NOTES AND REVENUE GENERATED BY ANY ADDITIONAL STATE SALES AND USE TAX THAT IS ALLOCATED TO THE STATE HIGHWAY FUND PURSUANT TO SECTION 43-4-206 (4) IN EXCESS OF AMOUNTS NEEDED FOR PAYMENT OF THE NOTES MUST BE EXPENDED ON PRIORITY MAINTENANCE PROJECTS AND PRIORITY CONSTRUCTION PROJECTS, INCLUDING MULTIMODAL CAPITAL PROJECTS, AS DETERMINED BY THE COMMISSION.

SECTION 18. 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 CHIEF ENGINEER OF THE DEPARTMENT 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;

(VI) A MEMBER WHO REPRESENTS OR ADVOCATES FOR TRANSIT PROVIDERS;

(VII) A MEMBER WHO IS A PERSON WITH A DISABILITY OR WHO REPRESENTS OR ADVOCATES FOR PERSONS WITH DISABILITIES; AND

(VIII) A MEMBER WHO IS AN ADVOCATE FOR AFFORDABLE TRANSPORTATION OPTIONS.

(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 FOUR TIMES PER YEAR, AND THE CHARGE OF THE COMMITTEE IS TO SPECIFICALLY 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 ANY ADDITIONAL STATE SALES AND USE TAX REVENUE THAT IS ALLOCATED TO THE STATE HIGHWAY FUND PURSUANT TO SECTION 43-4-206 (4) AND VERIFY THAT SUCH NOTE PROCEEDS AND TAX REVENUE ARE EXPENDED:

(a) IN COMPLIANCE WITH THE REQUIREMENTS OF SECTION 43-4-714 (2); AND

(b) 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.

SECTION 19. 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 2017 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, MOST OF WHICH WILL BE USED TO ACCELERATE THE COMPLETION OF 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, A COMPLETE AND 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) "AGING IN PLACE" MEANS HAVING THE ABILITY TO LIVE IN ONE'S OWN HOME AND COMMUNITY SAFELY, INDEPENDENTLY, AND COMFORTABLY, REGARDLESS OF AGE, INCOME, OR ABILITY LEVEL.
- (2) "COMMISSION" MEANS THE TRANSPORTATION COMMISSION CREATED IN SECTION 43-1-106 (1).
- (3) "COMMITTEE" MEANS THE MULTIMODAL TRANSPORTATION OPTIONS COMMITTEE CREATED IN SECTION 43-4-1104 (1).
- (4) "DEPARTMENT" MEANS THE DEPARTMENT OF TRANSPORTATION.
- (5) "DIVISION" MEANS THE TRANSIT AND RAIL DIVISION CREATED IN SECTION 43-4-117.5 (1).
- (6) "FUND" MEANS THE MULTIMODAL TRANSPORTATION OPTIONS FUND CREATED IN SECTION 43-4-1103 (1).
- (7) "MULTIMODAL TRANSPORTATION OPTIONS" MEANS BOTH PUBLIC TRANSIT INFRASTRUCTURE AND OPERATIONS AND TRANSPORTATION INFRASTRUCTURE THAT IS DESIGNED FOR USERS OF NONMOTORIZED MOBILITY-ENHANCING EQUIPMENT.
- (8) "TRANSPORTATION OPTIONS" MEANS TRANSPORTATION INFRASTRUCTURE, OPERATIONS, AND SERVICES, OTHER THAN PORTIONS OF

HIGHWAYS, ROADS, OR STREETS DESIGNED PRIMARILY FOR PERSONAL AND SINGLE OCCUPANT MOTOR VEHICLE USE, THAT ARE PROVIDED BY OR CONTRACTED FOR BY OR ON BEHALF OF THE STATE, OR ONE OR MORE LOCAL GOVERNMENTS, REGIONAL TRANSPORTATION AUTHORITIES, OR TRANSIT AGENCIES AND INCLUDES:

(a) BUS AND RAIL FACILITIES, INCLUDING BUS LANES, EQUIPMENT, AND SERVICES, INCLUDING:

(I) LOCAL, REGIONAL, AND INTERCITY BUS AND RAIL FACILITIES, EQUIPMENT, AND SERVICES THAT ARE PROVIDED BY OR CONTRACTED FOR BY OR ON BEHALF OF THE STATE, OR ONE OR MORE LOCAL GOVERNMENTS, REGIONAL TRANSPORTATION AUTHORITIES, OR TRANSIT AGENCIES;

(II) FIRST AND FINAL MILE CONNECTIONS TO BUS AND RAIL FACILITIES, EQUIPMENT, AND SERVICES; AND

(III) RELATED ROADWAY OR INTERSECTION IMPROVEMENTS NEEDED TO EFFECTIVELY AND SAFELY INTEGRATE BUS AND RAIL FACILITIES WITH ROADWAYS, SIDEWALKS, OR MULTIMODAL TRANSPORTATION OPTIONS;

(b) TRANSPORTATION SERVICES FOR SENIORS AND PERSONS WITH DISABILITIES;

(c) TRANSPORTATION DEMAND MANAGEMENT PROGRAMS;

(d) INFRASTRUCTURE DESIGNED FOR PEDESTRIANS AND USERS OF NONMOTORIZED MOBILITY-ENHANCING EQUIPMENT; AND

(e) DEVELOPMENT AND IMPLEMENTATION OF NEW TRANSPORTATION TECHNOLOGY.

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 AND SHALL ALLOCATE THE INTEREST AND INCOME BETWEEN THE ACCOUNTS OF THE FUND IN THE PERCENTAGES DESIGNATED BY THE COMMISSION PURSUANT TO SUBSECTION (2) OF THIS SECTION.

(2) THE TRANSPORTATION OPTIONS ACCOUNT AND THE PEDESTRIAN AND ACTIVE TRANSPORTATION ACCOUNT ARE CREATED IN THE FUND. THE COMMISSION SHALL DESIGNATE, AND MAY AT ANY TIME BY SUBSEQUENT RESOLUTION MODIFY, THE PERCENTAGES OF THE MONEY CREDITED TO THE FUND TO BE CREDITED TO EACH ACCOUNT SUBJECT TO THE LIMITATION THAT DURING ANY GIVEN FISCAL YEAR NO MORE THAN SEVENTY-FIVE PERCENT OF THE MONEY MAY BE CREDITED TO THE TRANSPORTATION OPTIONS ACCOUNT AND AT LEAST TWENTY-FIVE PERCENT OF THE REVENUE MUST BE CREDITED TO THE PEDESTRIAN AND ACTIVE TRANSPORTATION ACCOUNT.

(3) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, MONEY MUST BE EXPENDED FROM THE FUND AS FOLLOWS:

(a) THE COMMITTEE SHALL EXPEND MONEY FROM THE TRANSPORTATION OPTIONS ACCOUNT OF THE FUND TO FUND TRANSPORTATION OPTIONS PROJECTS THAT IT HAS APPROVED FOR FUNDING PURSUANT TO SECTION 43-4-1104 (3)(c).

(b) THE DEPARTMENT SHALL EXPEND MONEY FROM THE PEDESTRIAN AND ACTIVE TRANSPORTATION ACCOUNT OF THE FUND FOR PROJECTS FOR TRANSPORTATION INFRASTRUCTURE THAT IS DESIGNED FOR NONMOTORIZED USE, INCLUDING PATHS, SIDEWALKS, AND ROADWAYS INTENDED FOR USE WITH NONMOTORIZED EQUIPMENT. SUCH PROJECTS INCLUDE NONMOTORIZED LANES AND PATHWAYS, SIDEWALKS, AND ROADWAY IMPROVEMENTS, INCLUDING SHOULDERS, CROSSWALKS, AND INTERSECTION IMPROVEMENTS, THAT ENHANCE SAFETY FOR USERS OF

NONMOTORIZED MULTIMODAL TRANSPORTATION OPTIONS. THE DEPARTMENT SHALL ALLOCATE THE MONEY IN THE PEDESTRIAN AND ACTIVE TRANSPORTATION ACCOUNT IN THE SAME MANNER IN WHICH FEDERAL SURFACE TRANSPORTATION PROGRAM SET-ASIDE MONEY IS ALLOCATED WITHIN THE STATE PURSUANT TO 23 U.S.C. SEC. 133 (h).

43-4-1104. Multimodal transportation options committee - created - membership - powers

and duties. (1) (a) THE MULTIMODAL TRANSPORTATION OPTIONS COMMITTEE IS CREATED IN THE DEPARTMENT OF TRANSPORTATION. THE COMMITTEE SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AS IF THE SAME WERE TRANSFERRED TO THE DEPARTMENT BY A **TYPE 1** TRANSFER, AS DEFINED IN SECTION 24-1-105. THE COMMITTEE CONSISTS OF ELEVEN MEMBERS, A MAJORITY OF WHOM CONSTITUTE A QUORUM OF THE COMMITTEE. THE GOVERNOR, TAKING INTO ACCOUNT GEOGRAPHIC DIVERSITY WHEN MAKING APPOINTMENTS, SHALL APPOINT TEN MEMBERS OF THE COMMITTEE AS FOLLOWS:

(I) TWO MEMBERS WHO REPRESENT TRANSIT AGENCIES, ONE OF WHOM MUST REPRESENT A TRANSIT AGENCY THAT PROVIDES SERVICE EXCLUSIVELY OR PRIMARILY OUTSIDE THE BOUNDARIES OF METROPOLITAN STATISTICAL AREAS;

(II) THREE MEMBERS, EACH OF WHOM REPRESENTS EITHER A METROPOLITAN PLANNING ORGANIZATION, AS DEFINED IN SECTION 43-1-1102 (4), OR A REGIONAL PLANNING COMMISSION, AS DEFINED IN SECTION 43-4-1102 (5);

(III) FOUR MEMBERS WHO REPRESENT LOCAL GOVERNMENTS, AT LEAST ONE OF WHOM MUST RESIDE IN A COMMUNITY THAT IS WEST OF THE CONTINENTAL DIVIDE; AND

(IV) ONE MEMBER WHO IS AN ADVOCATE FOR AFFORDABLE TRANSPORTATION OPTIONS.

(b) THE DIRECTOR OF THE DEPARTMENT OR THE DIRECTOR'S DESIGNEE IS A MEMBER OF THE COMMITTEE.

(2) (a) INITIAL MEMBERS OF THE COMMITTEE SHALL BE APPOINTED

NO LATER THAN MARCH 1, 2018.

(b) COMMITTEE MEMBERS APPOINTED BY THE GOVERNOR SERVE FOR TERMS OF FOUR YEARS; EXCEPT THAT THE INITIAL TERMS OF ONE OF THE MEMBERS APPOINTED PURSUANT TO SUBSECTION (1)(a)(I) OF THIS SECTION, TWO OF THE MEMBERS APPOINTED PURSUANT TO SUBSECTION (1)(a)(II) OF THIS SECTION, AND TWO OF THE MEMBERS APPOINTED PURSUANT TO SUBSECTION (1)(a)(III) OF THIS SECTION ARE TWO YEARS. THE GOVERNOR MAY REMOVE A COMMITTEE MEMBER APPOINTED BY THE GOVERNOR FOR ANY CAUSE THAT RENDERS THE MEMBER INCAPABLE OF DISCHARGING OR UNFIT TO DISCHARGE THE MEMBER'S DUTIES AND SHALL FILL ANY VACANCY ON THE COMMITTEE BY APPOINTMENT OF A NEW MEMBER, WHO SHALL SERVE UNTIL THE EXPIRATION OF THE TERM FOR WHICH THE VACANCY WAS FILLED. COMMITTEE MEMBERS APPOINTED BY THE GOVERNOR SERVE WITHOUT COMPENSATION, BUT RECEIVE REIMBURSEMENT FOR TRAVEL AND OTHER NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.

(3) THE FUNCTION OF THE COMMITTEE IS TO EQUITABLY, EFFICIENTLY, AND EFFECTIVELY ALLOCATE THE MONEY IN THE TRANSPORTATION OPTIONS ACCOUNT OF THE FUND TO FUND TRANSPORTATION OPTIONS PROJECTS THROUGHOUT THE STATE. TO FURTHER THE PERFORMANCE OF ITS FUNCTION, THE COMMITTEE, IN ADDITION TO ANY OTHER POWERS AND DUTIES SPECIFIED IN THIS PART 11, HAS THE FOLLOWING POWERS AND DUTIES:

(a) TO DEVELOP A FORMULA FOR ALLOCATING THE MONEY AMONG THE REGIONS OF THE STATE. THE FORMULA MUST TAKE INTO ACCOUNT POPULATION, TRANSPORTATION OPTIONS NEEDS, TRANSPORTATION OPTIONS PERFORMANCE, AND THE AVAILABILITY OF LOCAL MATCHING MONEY.

(b) TO SUPERVISE AND PROVIDE GUIDANCE TO THE DIVISION IN ITS SOLICITATION, RECEIPT, AND EVALUATION OF SPECIFIC TRANSPORTATION OPTIONS PROJECT PROPOSALS FROM LOCAL GOVERNMENTS, REGIONAL

TRANSPORTATION AUTHORITIES, AND TRANSIT AGENCIES AND ITS DEVELOPMENT OF INTERREGIONAL TRANSPORTATION OPTIONS PROJECTS PURSUANT TO SECTION 43-1-117.5 (3)(a)(VIII);

(c) TO DETERMINE WHICH TRANSPORTATION OPTIONS PROJECTS RECEIVE FUNDING AND THE AMOUNT OF THE FUNDING PROVIDED FOR EACH PROJECT RECEIVING FUNDING. TOTAL LOCAL GOVERNMENT, REGIONAL TRANSPORTATION AUTHORITY, OR TRANSIT AGENCY FUNDING FOR A PROJECT RECEIVING FUNDING FROM THE TRANSPORTATION OPTIONS ACCOUNT OF THE FUND MUST BE AT LEAST EQUAL TO THE AMOUNT OF FUNDING PROVIDED FROM THE ACCOUNT; EXCEPT THAT THE FOLLOWING ENTITIES MAY PROVIDE MATCHING MONEY FOR A PROJECT IN AN AMOUNT EQUAL TO TWENTY PERCENT OF THE AMOUNT RECEIVED FOR THE PROJECT FROM THE ACCOUNT:

(A) CITIES OR COUNTIES THAT COLLECT LESS THAN FIFTEEN MILLION DOLLARS PER YEAR IN TOTAL ANNUAL SALES TAX REVENUES; AND

(B) REGIONAL TRANSPORTATION AUTHORITIES OR TRANSIT AGENCIES THAT HAVE TOTAL ANNUAL OPERATING BUDGETS OF LESS THAN ONE MILLION FIVE HUNDRED THOUSAND DOLLARS PER YEAR.

(d) TO PROPOSE PROGRAMS, INCLUDING FREE TRANSPORTATION OPTIONS PASS AND REDUCED FARE PROGRAMS, TO PROVIDE AT LEAST A BASIC LEVEL OF TRANSPORTATION OPTIONS SERVICE TO LOW-INCOME COLORADANS THROUGHOUT THE STATE;

(e) TO ADOPT BYLAWS FOR THE REGULATION OF ITS AFFAIRS AND THE CONDUCT OF ITS BUSINESS; AND

(f) TO PROMULGATE ANY RULES, IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, THAT ARE NECESSARY AND PROPER FOR THE ADMINISTRATION OF THIS PART 11.

SECTION 20. Effective date. This act takes effect on January 1, 2018.



**Colorado
Legislative
Council
Staff**

Initiative # 27

**INITIAL FISCAL
IMPACT STATEMENT**

Date: April 18, 2017

Fiscal Analyst: Greg Sobetski (303-866-4105)

LCS TITLE: TRANSPORTATION FUNDING

Fiscal Impact Summary*	FY 2017-2018	FY 2018-2019
State Revenue	<u>at least \$282.4 million</u>	<u>at least \$568.7 million</u>
General Fund	282.4 million	568.7 million
State Highway Fund	potential increase	potential increase
State Diversions		
General Fund	(286.2 million)	(576.7 million)
Highway Users Tax Fund	243.3 million	490.2 million
Multimodal Transportation Options Fund	42.9 million	86.5 million
State Transfers		
General Fund	110.6 million	116.9 million
Highway Users Tax Fund	(110.6 million)	(116.9 million)
State Expenditures	<u>at least \$206,881</u>	<u>at least \$50,966</u>
General Fund	at least 196,781	at least 30,766
State Highway Fund	at least 10,100	at least 20,200
FTE Position Change	1.1 FTE	0.5 FTE
Future Year Impacts: Ongoing state revenue and expenditure increase; ongoing General Fund diversions; and state transfers through FY 2019-20.		

**Totals may not sum due to rounding; TRANS proceeds and debt service not included.*

Note: This *initial* fiscal impact estimate has been prepared for the Title Board. If the initiative is placed on the ballot, Legislative Council Staff may revise this estimate for the Blue Book Voter Guide if new information becomes available.

Summary of Measure

This measure authorizes the issuance of \$3.5 billion in new transportation revenue anticipation notes (TRANS). Proceeds from the sale of TRANS are required to be spent to fund transportation projects selected by the Transportation Commission. For a period of 20 years, the measure increases the state sales and use tax rates and allocates a portion of the new tax revenue to fund TRANS debt service. The remaining tax revenue is distributed to local governments for transportation uses and to a new Multimodal Transportation Options Fund.

Transportation revenue anticipation notes. The measure authorizes the executive director of the Colorado Department of Transportation (CDOT) to issue TRANS. The sale value of the TRANS must not exceed \$3.5 billion, and the repayment cost must not exceed \$5.0 billion. The term of the debt service is limited to 20 years.

Proceeds from the sale of TRANs are credited to the State Highway Fund (SHF) and used exclusively to pay for transportation projects, including multimodal capital projects, selected by the Transportation Commission. Debt service on TRANs is paid first from the General Fund, up to \$150.0 million annually, and then from new sales and use tax revenue allocated to the SHF.

Sales and use tax increase. The measure increases the state sales and use tax rates by 0.5 percentage points, from 2.9 percent to 3.4 percent, between January 1, 2018, and December 31, 2037. Revenue is diverted from the General Fund to the Highway Users Tax Fund (HUTF) and a newly created Multimodal Transportation Options Fund as follows:

- 15 percent to the Multimodal Transportation Options Fund to be used for multimodal transportation projects, including pedestrian and active transportation projects; and
- 85 percent to the HUTF, from which:
 - 41.2 percent is allocated to the SHF for TRANs repayment and transportation projects; and
 - 58.8 percent is allocated to counties and municipalities for transportation projects.

State Highway Fund share. From new sales and use tax revenue, the measure allocates 35.02 percent, or 41.2 percent of 85 percent, to the SHF. This amount is required to be used for TRANs repayment. Any amount remaining after debt service costs are paid is required to be expended for transportation projects selected by the Transportation Commission.

Local government share. The measure allocates 49.98 percent, or 58.8 percent of 85 percent, to local governments. Half of this revenue is disbursed to counties following the current statutory distribution formula for county HUTF allocations. The other half is disbursed to municipalities following their current statutory distribution formula. Funds may be used by local governments for transportation projects in the same way that current HUTF distributions are utilized.

Multimodal projects share. The measure diverts 15 percent of new sales and use tax revenue to a newly created Multimodal Transportation Options Fund. This fund comprises two accounts:

- the Transportation Options Account, which is administered by the newly created Multimodal Transportation Options Committee; and
- the Pedestrian and Active Transportation Account, which is administered by the Transportation Commission.

No more than 75 percent of the funding in the Multimodal Transportation Options Fund may be paid to the Transportation Options Account, and no less than 25 percent of the funding may be paid to the Pedestrian and Active Transportation Account. Within these parameters, the precise allocations are determined by the Transportation Commission.

Senate Bill 09-228 transfers. The measure repeals the outstanding Senate Bill 09-228 transfers of General Fund revenue to the HUTF. Transfers to the HUTF are repealed for FY 2017-18 through FY 2019-20. Transfers to the Capital Construction Fund are unaffected.

Multimodal Transportation Options Committee. The measure creates the Multimodal Transportation Options Committee in CDOT. This committee is responsible for allocating funds from the Transportation Options Account of the Multimodal Transportation Options Fund. Grants

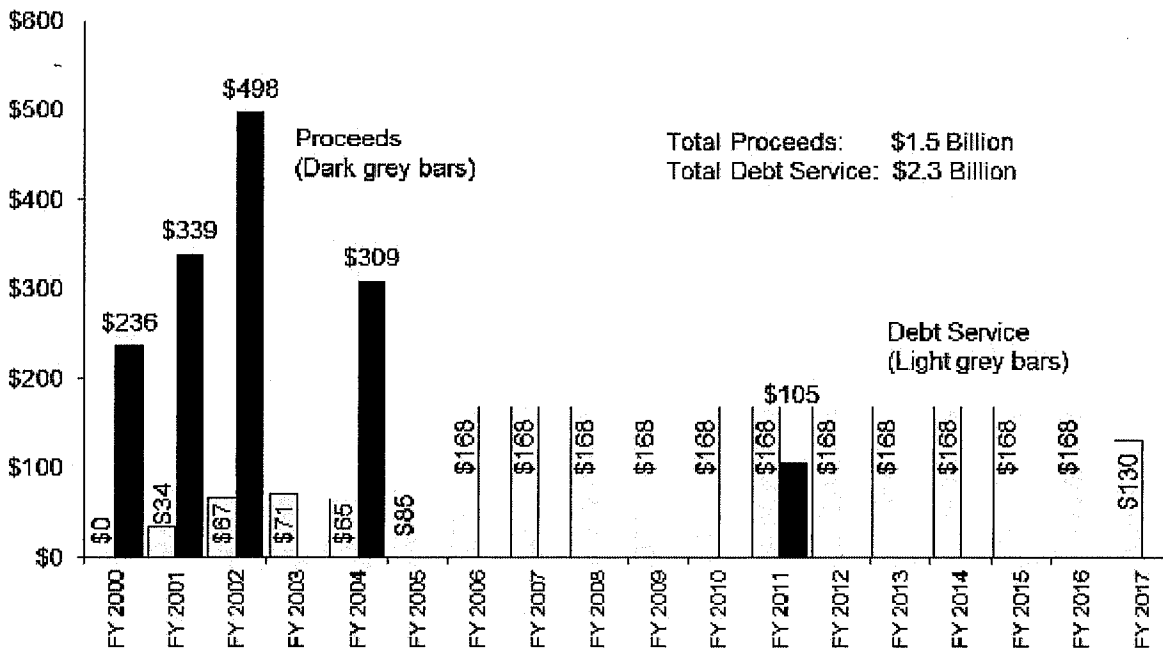
for projects receiving funds from the Transportation Options Account must be matched at 50 percent, except that counties and municipalities that receive less than \$15 million in annual sales tax revenue may provide a 20 percent match. The committee comprises 11 members, including the executive director of CDOT or a designee and 10 gubernatorial appointees representing various state and local transportation planning entities and different geographic regions of the state. Appointees serve four-year terms without compensation but receive travel and expense reimbursements.

TRANS Citizen Oversight Committee. The measure creates the Transportation Revenue Anticipation Notes Citizen Oversight Committee to oversee expenditures from TRANS proceeds and any additional sales and use tax revenue allocated to the SHF and used by CDOT. The committee is comprised of 15 members including the executive director for CDOT or a designee, 8 members appointed by legislative leadership, and 6 members appointed by the Governor. The members of the committee represent various stakeholders in transportation policy and different geographic regions of the state. Members serve without compensation or reimbursement.

Background

Transportation revenue anticipation notes. In 1999, Colorado voters authorized CDOT to borrow up to \$1.7 billion by selling TRANS with a maximum repayment cost of \$2.3 billion. Debt service on TRANS was paid with money from the federal government and state matching funds. TRANS proceeds were exempt from the TABOR revenue limit and could be used only for a list of 28 prioritized statewide projects. The use of TRANS allowed CDOT to accelerate construction on these projects, including the widening of I-25 in Denver (T-REX). As shown in Figure 1, CDOT issued a total of \$1.5 billion in installments from 2000 through 2011, with a total repayment cost of \$2.3 billion. The final debt service payment occurred in December 2016.

Figure 1. 1999 TRANS Proceeds and Debt Service
 (Dollars in Millions)



Source: Colorado Department of Transportation. Not adjusted for inflation.

State Revenue

The measure is expected to increase state revenue by **at least \$282.4 million in FY 2017-18** and **at least \$568.7 million in FY 2018-19**. These amounts do not include proceeds from the sale of TRANs, which are not estimated by year in this fiscal impact statement but will total up to \$3.5 billion between FY 2017-18 and FY 2037-38. The revenue estimate for FY 2017-18 represents a half-year impact based on the January 1, 2018, effective date for the new sales and use tax rates. State revenue will increase through the end of 2037, when the sales and use taxes are scheduled to return to their present rates.

TRANs proceeds. Revenue to the SHF will increase by up to \$3.5 billion over the 20 years between FY 2017-18 and FY 2037-38 following the issuance of TRANs. The timing of the revenue will depend on the timing and structure of the debt issuance, which the measure defers to the executive director of CDOT.

Sales and use taxes. The measure increases the state sales and use tax rates by 0.5 percentage points, from 2.9 percent to 3.4 percent, effective from January 1, 2018, to December 31, 2037. Based on the March 2017 LCS Economic and Revenue Forecast, state sales and use taxes other than those on aviation fuel are expected to generate \$3,044.5 million and \$300.3 million, respectively, in FY 2018-19 under the current 2.9 percent state tax rate. Raising the tax rate is expected to generate an additional \$524.9 million in sales taxes and \$51.8 million in use taxes per year, for a total of \$576.7 million. These amounts are prorated for a half-year impact in FY 2017-18. This revenue impact estimate does not account for any changes in taxpayer behavior. To the extent that taxpayers reduce the amount of their purchases in response to the tax increase, the amount of revenue generated will be less than estimated.

Diversion to regional tourism projects. Under the Regional Tourism Act, the Colorado Economic Development Commission is authorized to approve regional tourism projects. A regional tourism project is financed using a percentage of the state sales tax revenue increment collected in the project zone above the revenue amount for the base year before the project was authorized. State sales tax revenue that is credited to the project is not accounted as state revenue in the General Fund.

The measure increases the state sales tax rate, increasing the amount of state sales tax revenue diverted for tourism projects. Additional diversions are expected to reduce the amount of new state sales tax revenue by \$3.8 million in FY 2017-18 and \$7.9 million in FY 2018-19.

State diversions. The measure requires that all revenue generated by the additional sales and use taxes be diverted to the HUTF and the Multimodal Transportation Options Fund rather than being deposited in the General Fund. Total diversions are estimated at \$286.2 million in FY 2017-18 and \$576.7 million in FY 2018-19. General Fund diversions to the HUTF and the Multimodal Transportation Options Fund are shown in Table 1.

Table 1. General Fund Diversions under Initiative 2017-2018 # 27		
	FY 2017-18	FY 2018-19
Diversions to the HUTF	\$243.3 million	\$490.2 million
<i>Allocated to the SHF</i>	100.2 million	202.0 million
<i>Allocated to counties¹</i>	71.5 million	144.1 million
<i>Allocated to municipalities¹</i>	71.5 million	144.1 million
Diversions to the Multimodal Transportation Options Fund	\$42.9 million	\$86.5 million
<i>Transportation Options Account²</i>	32.2 million	64.9 million
<i>Pedestrian and Active Transportation Account³</i>	10.7 million	21.6 million
TOTAL	\$286.2 million	\$576.7 million

¹ Allocations among counties and municipalities follow existing statutory distribution formulas.

² These amounts assume 75 percent of the multimodal options allocation will be deposited in the transportation options account, the maximum amount allowed by the measure.

³ These amounts assume 25 percent of the multimodal options allocation will be deposited in the pedestrian and active transportation account, the minimum amount allowed by the measure.

State transfers. The measure repeals General Fund transfers to the HUTF scheduled under SB09-228 for FY 2017-18 through FY 2019-20. Under current law, 2.0 percent of General Fund revenue is transferred to the HUTF each year through FY 2019-20 unless the state TABOR refund obligation exceeds 1.0 percent of General Fund revenue, in which case transfers are reduced by half. If the TABOR refund obligation exceeds 3.0 percent of General Fund revenue, transfers are not made.

Transfers are estimated at \$110.6 million for FY 2017-18 and \$116.9 million for FY 2018-19 under current law, and have not been estimated for FY 2019-20. These amounts represent halved transfers based on the March 2017 LCS forecast. Under the measure, transfers are repealed after FY 2016-17 and the amount obligated for transfers is assumed to revert to the General Fund.

State Expenditures

The measure is expected to increase state expenditures by **at least \$206,881 and 1.1 FTE in FY 2017-18** and **at least \$50,966 and 0.5 FTE in FY 2018-19**. General Fund expenditures will increase by at least \$196,781 and 1.1 FTE in FY 2017-18 and at least \$30,766 and 0.5 FTE in FY 2018-19. SHF expenditures will increase by at least \$10,100 in FY 2017-18 and at least \$20,200 in FY 2018-19. The expenditures estimated are for Multimodal Transportation Options Committee meetings and for the implementation of tax policy changes in the Department of Revenue. These amounts do not include spending for TRANs debt service, which will be paid from the General Fund and the new tax revenue once TRANs are issued. Spending for transportation projects and maintenance, which will be paid from SHF revenue at the discretion of the Transportation Commission, are also not included. Expenditures for grants from the Multimodal Transportation Options Fund, which will be made at the discretion of the Transportation Commission and the Multimodal Transportation Options Committee, are also not included.

General Fund budget. Without accounting for debt service obligations, the amount available for the General Fund budget will increase by a net of \$106.0 million in FY 2017-18 and \$107.0 million in FY 2018-19. These amounts represent the net impacts of eliminating SB09-228 transfers to the HUTF and increasing the amount of General Fund revenue diverted to regional tourism projects. Once debt service payments begin, up to \$150.0 million will be obligated from the General Fund annually for this purpose.

Initiative # 27

Department of Transportation. CDOT expenditures will increase by \$10,100 in FY 2017-18 and \$20,200 in FY 2018-19 and future years to reimburse members of the Multimodal Transportation Options Committee for travel and hotel expenses. These amounts are assumed to be paid from SHF revenue that would otherwise be allocated to the Division of Transit and Rail.

TRANS repayment. Total TRANS repayment costs may not exceed \$5.0 billion, and debt must be serviced within 20 years. Based on repayment costs of \$5.0 billion over 20 years, the average annual debt service costs will be \$250 million. The General Fund portion of this obligation is capped at \$150 million annually, and the remaining repayment will be paid from new sales and use tax revenue.

Department of Revenue. Department of Revenue (DOR) expenditures will increase by \$196,781 and 1.1 FTE in FY 2017-18 and \$30,766 and 0.5 FTE in FY 2018-19. Expenditures for the department are summarized in Table 2 and explained below.

Cost Components	FY 2017-18	FY 2018-19
Personal Services	\$47,788	\$21,722
FTE	1.1 FTE	0.5 FTE
Operating Expenses and Capital Outlay Costs	5,748	475
Postage and Mailing	111,414	
GenTax Computer Programming	14,600	
Indirect Costs	17,231	8,569
TOTAL	\$196,781	\$30,766

Personal services. Departmental workload will increase in the Taxpayer Service Division to address filing errors related to the new sales and use tax rate and to respond to increased call volume. Additional workload will require 1.1 FTE and \$53,536 in personal services and operating costs in FY 2017-18, and 0.5 FTE and \$22,197 in costs in FY 2018-19. New staff will be hired as temporary employees for nine months beginning in January 2018.

Postage and mailing. The department will send a one-time mailing notifying the 206,300 active filing accounts of the change in the tax rate. Expenditures for postage and mailing will total \$111,414 in FY 2017-18.

Computer programming. The measure requires updates to the state's tax administration software. Changes are programmed by a contractor at a rate of \$200 per hour. The changes in this measure are expected to increase General Fund expenditures by \$14,600, representing 73 hours of programming. All GenTax programming changes are tested by department staff.

Local Government Impact

The measure increases local government revenue and expenditures beginning in FY 2017-18.

Local government revenue. Local governments will receive disbursements from the state sales tax increase. The local government allocation equals 49.98 percent of new tax revenue. Counties and municipalities each receive half of this amount. Revenue is distributed to individual counties and municipalities according to the statutory HUTF distribution formulas used under current law. For FY 2018-19, the local government share of new sales and use tax revenue is estimated at \$288.2 million, of which \$144.1 million is paid to counties and \$144.1 million is paid to municipalities as previously shown in Table 1.

Multimodal Transportation Options Fund. To receive money from the Transportation Options Account for multimodal transportation projects, counties and municipalities must provide a 50 percent match. Counties or municipalities that receive less than \$15 million in annual sales tax revenue may provide a 20 percent match.

Regional tourism projects. Regional tourism projects receive a percentage of state sales and use tax revenue collected in the project zone above the amount for the base year before the project was authorized. Under the measure, three regional tourism projects are expected to receive increased diversions as follows:

- FY 2018-19 diversions to the project in Colorado Springs will increase by \$4.9 million;
- FY 2018-19 diversions to the project in Pueblo will increase by \$2.3 million; and
- FY 2018-19 diversions to the project in Denver will increase by \$0.8 million.

Diversions will continue until projects are fully funded as authorized.

Local government expenditures. Local governments receiving allocations will have additional amounts to spend for transportation projects. The measure does not alter current law requirements for local government use of HUTF disbursements. Under current law, local governments must spend HUTF revenue for construction and maintenance of public highways, together with acquisition of rights-of-way and access rights, and for the construction and maintenance of transit-related projects.

Economic Impact

Sales and use taxes. The measure increases state sales and use taxes for 20 years beginning in 2018. Based on the March 2017 Legislative Council Staff Economic and Revenue Forecast, an increase of 0.5 percent in the sales and use tax rate will increase sales and use taxes paid by individuals and businesses by \$524.9 million and \$51.8 million, respectively, in FY 2018-19. These amounts will increase in future years as consumer spending increases.

The higher sales tax rate is expected to increase household sales tax obligations annually by an average of about \$120, from about \$700 to about \$820. The amount of the tax increase borne by each household depends on the amount of taxable goods and services that the household purchases. This fiscal impact statement does not assume a reduction in consumer spending attributable to the increased taxes, although it is recognized that spending could be reduced for some goods and services. Households that do not reduce their spending may accommodate the tax increase through any combination of reduced investment or savings or additional debt.

Transportation infrastructure. TRANs proceeds will be spent for transportation construction projects on a schedule determined by the Transportation Commission. Projects are expected to be constructed via government contracts or public-private partnerships. The

businesses involved in highway and transit construction are likely to derive immediate benefits when contracts are signed. Employment in the construction industry is also expected to increase. The number of jobs, their location within the state, and the amount of wages paid to employees will depend on future decisions made by the Transportation Commission and contractors.

Improved transportation infrastructure potentially attracts businesses, grows employment, and increases economic productivity.

Effective Date

The measure takes effect January 1, 2018.

State and Local Government Contacts

Counties
Legislative Council Staff Economics Section
Municipalities
Transportation

Information Technology
Local Affairs
Revenue
Treasury

Abstract of Initiative 2017-2018 # 27: Transportation Revenue

This initial fiscal estimate, prepared by the nonpartisan Director of Research of the Legislative Council as of April 2017, identifies the following impacts:

The abstract includes estimates of the fiscal impact of the initiative. If this initiative is to be placed on the ballot, Legislative Council Staff will prepare new estimates as part of a fiscal impact statement, which includes an abstract of that information. All fiscal impact statements are available at www.ColoradoBlueBook.com and the abstract will be included in the ballot information booklet that is prepared for the initiative.

State revenue. Beginning in 2018 and continuing through 2037, the measure increases state sales and use tax revenue by an estimated \$568.7 million annually. This amount is expected to be supplemented by proceeds from the sale of transportation revenue anticipation notes totaling \$3.5 billion over multiple years.

State expenditures. The proceeds from the sale of revenue anticipation notes, up to \$3.5 billion, will be expended for transportation infrastructure projects identified by the Transportation Commission. Sales and use tax revenue will be expended for debt service obligations, estimated at \$250.0 million annually, for transportation projects in counties and municipalities, and for multimodal transportation projects.

Economic impacts. The measure increases average household sales tax obligations by an estimated \$120 annually, which could reduce consumer spending on goods and services. Improved transportation infrastructure potentially attracts businesses, grows employment, and increases economic productivity.

Abstract of Initiative 2017-2018 # 27: Transportation Revenue

This initial fiscal estimate, prepared by the nonpartisan Director of Research of the Legislative Council as of April 2017, identifies the following impacts:

The abstract includes estimates of the fiscal impact of the initiative. If this initiative is to be placed on the ballot, Legislative Council Staff will prepare new estimates as part of a fiscal impact statement, which includes an abstract of that information. All fiscal impact statements are available at www.ColoradoBlueBook.com and the abstract will be included in the ballot information booklet that is prepared for the initiative.

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State expenditures. The proceeds from the sale of revenue anticipation notes, up to \$3.5 billion, will be expended for transportation infrastructure projects identified by the Transportation Commission. Sales and use tax revenue will be expended for debt service obligations, estimated at \$250.0 million annually, for transportation projects in counties and municipalities, and for multimodal transportation projects.

Economic impacts. The measure increases average household sales tax obligations by an estimated \$120 annually, which could reduce consumer spending on goods and services. Improved transportation infrastructure potentially attracts businesses, grows employment, and increases economic productivity.

Ballot Title Setting Board

Proposed Initiative 2017 2018 #27¹

The title as designated and fixed by the Board is as follows:

STATE TAXES SHALL BE INCREASED \$576,700,000 ANNUALLY FOR A TWENTY-YEAR PERIOD, AND STATE DEBT SHALL BE INCREASED \$3,500,000,000 WITH A MAXIMUM REPAYMENT COST OF \$5,000,000,000, TO PAY FOR TRANSPORTATION PROJECTS IN COLORADO, AND IN CONNECTION THEREWITH, CHANGING THE COLORADO REVISED STATUTES TO: 1) INCREASE THE STATE SALES AND USE TAX RATE BY 0.5% BEGINNING JANUARY 1, 2018, OF WHICH 35% IS USED TO FUND STATE TRANSPORTATION PROJECTS, 50% IS USED TO FUND MUNICIPAL AND COUNTY TRANSPORTATION PROJECTS EQUALLY, AND 15% OF THE NEW REVENUE IS USED TO FUND MULTIMODAL TRANSPORTATION PROJECTS; 2) AUTHORIZE THE ISSUANCE OF ADDITIONAL TRANSPORTATION REVENUE ANTICIPATION NOTES TO FUND PRIORITY STATE TRANSPORTATION MAINTENANCE AND CONSTRUCTION PROJECTS; 3) REQUIRE \$150,000,000 OF STATE GENERAL FUND REVENUE BE USED ANNUALLY DURING THE TWENTY-YEAR PERIOD TO PAY A PORTION OF THE PRINCIPAL AND INTEREST ON THE REVENUE ANTICIPATION NOTES; AND 4) PROVIDE THAT ALL REVENUE RESULTING FROM THE TAX RATE INCREASE, PROCEEDS FROM THE ISSUANCE OF REVENUE ANTICIPATION NOTES, AND EARNINGS ON SUCH TAX REVENUE AND NOTE PROCEEDS ARE VOTER-APPROVED REVENUE CHANGES EXEMPT FROM ANY LIMITATIONS IN LAW.

The ballot title and submission clause as designated and fixed by the Board is as follows:

SHALL STATE TAXES BE INCREASED \$576,700,000 ANNUALLY FOR A TWENTY-YEAR PERIOD, AND SHALL STATE DEBT BE INCREASED \$3,500,000,000 WITH A MAXIMUM REPAYMENT COST OF \$5,000,000,000, TO PAY FOR TRANSPORTATION PROJECTS IN COLORADO, AND IN CONNECTION THEREWITH, CHANGING THE COLORADO REVISED STATUTES TO: 1) INCREASE THE STATE

¹ Unofficially captioned “**Transportation Funding**” by legislative staff for tracking purposes. This caption is not part of the titles set by the Board.

SALES AND USE TAX RATE BY 0.5% BEGINNING JANUARY 1, 2018, OF WHICH 35% IS USED TO FUND STATE TRANSPORTATION PROJECTS, 50% IS USED TO FUND MUNICIPAL AND COUNTY TRANSPORTATION PROJECTS EQUALLY, AND 15% OF THE NEW REVENUE IS USED TO FUND MULTIMODAL TRANSPORTATION PROJECTS; 2) AUTHORIZE THE ISSUANCE OF ADDITIONAL TRANSPORTATION REVENUE ANTICIPATION NOTES TO FUND PRIORITY STATE TRANSPORTATION MAINTENANCE AND CONSTRUCTION PROJECTS; 3) REQUIRE \$150,000,000 OF STATE GENERAL FUND REVENUE BE USED ANNUALLY DURING THE TWENTY-YEAR PERIOD TO PAY A PORTION OF THE PRINCIPAL AND INTEREST ON THE REVENUE ANTICIPATION NOTES; AND 4) PROVIDE THAT ALL REVENUE RESULTING FROM THE TAX RATE INCREASE, PROCEEDS FROM THE ISSUANCE OF REVENUE ANTICIPATION NOTES, AND EARNINGS ON SUCH TAX REVENUE AND NOTE PROCEEDS ARE VOTER-APPROVED REVENUE CHANGES EXEMPT FROM ANY LIMITATIONS IN LAW?

Hearing April 19, 2017:

Single subject approved; staff draft amended; titles set.

Hearing adjourned 12:54 p.m.

MOTION FOR REHEARING ON PETITIONS 2017-2018 23 through 28.

1. Protester is a registered Colorado elector. He files this motion for rehearing under 1-40-107 (1)(a) C.R.S. He is not satisfied with the April 19, 2017 decisions of the Title Board ("Board"). He believes each petition contains multiple subjects and he is not satisfied with the ballot title set on each. Each ballot title is unfair and does not fairly express its true meaning and intent.
2. He also objects to the abstracts presented to the title board. They are incorrect, misleading and prejudicial, and do not comply with requirements of 1-40-105.5 C.R.S.
3. Each text has many subjects in its 25 or more pages. Among other issues, they cover: a) a sales tax increase; b) state borrowing, which protester notes is illegal under Article XI of the state constitution that bans state debt over \$100,000 or on a basis other than property tax; c) state road projects; d) local road projects; e) 15% of revenue for unknown projects; f) diversion of existing revenue from the general fund; and g) in draft #28, 2% of revenue for water projects. These various issues are not connected or related by any one common subject. They are a classic example of "logrolling" tactics to form a bloc of narrow and competing special interests. The single subject rule was also meant to prevent surprise and fraud by covert topics, to avoid deception of voters. These catch-all schemes are precisely what the 1994 single subject amendment and statute 1-40-106.5 were meant to stop.
4. Voter intent will not be clear. Some may like the tax but not the debt, or vice versa. Some may want new revenue that does not take from existing programs, and others may prefer changing priorities rather than expanding government. The \$150 million yearly general fund siphon is objectionable to those who claim insufficient state revenue exists for existing programs. Water projects are an anomaly in #28, not connected to roads. Roads have little relationship to light rail or other vague slush fund recipients. These drafts may reduce aviation fuel taxes, contrary to the goal of increasing revenue and not disclosed.
5. All ballot titles violate TABOR and are false. Sales tax revenue will grow every year, but the titles state a specific dollar amount "annually for a twenty-year period," which means the same fixed sum each year. The word "annually" means year by year, year after year, and each year thereafter. Example: The #23 title, \$715,100,000 annually, means a total of 20 times that amount in 20 years. State sales tax usually grows near 5% per year. Instead of about \$15 billion total, it will be over \$40 billion compounded over 20 years. Those billions are not disclosed. TABOR (7)(d) says "...voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, any district base." That means the authorized tax amount does not grow by inflation plus population as the fiscal year spending base does, but is "adjusted for revenue changes" which are dollar amounts

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APR 23 2017

S. WARD
6:17 P.M.

outside the spending base. The amount in the ballot title must be stated as a fixed annual dollar amount per TABOR (4)(a).

6. Draft #23 says a \$3.5 billion (illegal) state debt has a repayment cost of \$5 billion, (42.8% for interest, or \$1.5 billion). But other citizen proposals that do not raise taxes were heard that day--#21 and #22. Draft #21 said a \$2.5 billion debt had a repayment cost of \$4 billion. That is 60% for interest (also \$1.5 billion). Draft #22 said its \$3.5 billion debt had a repayment of \$5.2 billion (48.5%, or \$1.7 billion)--\$200 million more in interest than these drafts. That is not explained or explainable. That shows bias by state analysts in favor of these drafts to raise taxes and increase state revenue, a result state employees naturally favor. The abstracts and fiscal impacts are obviously false, biased, and inconsistent, and must be changed per 1-40-107 (b).

7. The ending clauses attempts to exempt revenue other than the stated tax increase from the state spending limit. That vague request for a second revenue change is not a dollar amount. Only a constitutional amendment may change the spending limit formula and definition of voter-approved revenue change. It is another subject and would be a surprise to voters.

8. Draft #23 and others are unclear in stating "50% is used to fund municipal and county transportation projects equally." Equal dollars, or equal percentages (25% and 25%)? Is every county getting the same dollar amount? Every municipality? Is every county getting the same dollar amount as every city, town, and village? Who approves of the projects and the funding allocation?

9. State revenue is part of local revenue limits. Will this massive state tax hike result in taxpayer refunds in districts that exceed their fiscal year spending limit? It would surprise state taxpayers to pay higher taxes for local tax relief. Is that "equal?"

10. The word "multimodal" is not clear, nor plain English. It is "government speak," foreign to average voters. Who decides what funds go for such projects--the state or some unknown district? What constitutes a "multimodal" project?

11. The key phrase "transportation projects" is undefined. Alleys? Dirt roads? Streets? Curbs, gutters, and striping? Highways? Airports? Trains? Buses? Ski runs? Hot air balloons? It is a fatal flaw at the core of each draft.

12. The ballot titles say what the state debt would be, but later authorize "additional transportation revenue anticipation notes," defeating the purpose of constitutionally-mandated debt disclosure up front. That is vague, deceptive, and illegal. TRANS notes required detailed ballot information in 1999, but now they do not? Draft #25 shows the \$150 million "portion" of the yearly repayment cost of this undefined TRANS debt is not disclosed in the opening words of the ballot title.

13. Saying the draft is "exempt from any limitations in law" is an illegal constitutional amendment striking down TABOR voter-approved revenue change rules and Article XI state debt laws. Overriding the constitution is a second subject, requiring a higher hurdle in signature collection and voter approval; see Amendment 71.

14. Apart from Article XI's \$100,000 limit on state debt, its limited repayment source (real property tax), its limited purpose (erecting state buildings), and TABOR (8)(a)'s ban on state real property tax, its section 5 says state debt shall be voted on only at state general elections. That means 2018. TABOR (1) also says "Other limits on...debt may be weakened only by future voter approval." The state debt election date limit has never been amended or weakened. These titles are premature for the 2018 election; approval at the 2018 election would impose a retroactive sales tax hike for the prior 10 months, violating the ex post facto ban in Article II, section 11.

For all these reasons, protester requests a rehearing to correct these violations.

Sincerely,

Dennis Polhill

49 S. Lookout Mountain Road

Golden, CO 80401

303-870-7331 (cell)

dpolhill@aol.com

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APR 26 2017

S. WARD
4:45 P.M.

Colorado Secretary of State

BEFORE THE COLORADO BALLOT TITLE SETTING BOARD

Anthony Milo and James Moody, Objectors and Proponents,

v.

Suzanne Staiert, David Blake, and Sharon Eubanks, Members of the Title Board.

**MOTION FOR REHEARING ON INITIATIVES 2017-2018
#23, #24, #25, #26, #27, and #28**

Anthony Milo and James Moody, registered electors of Colorado, through legal counsel, Recht Kornfeld P.C., seek a rehearing on the Title Board's title and ballot title and submission clause set for Initiatives 2017-18 #23, #24, #25, #26, #27, and #28 ("#23-28").

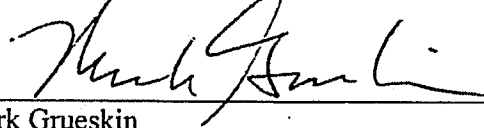
At the April 19, 2017 Title Board meeting where ballot titles and submission clauses were set for #23-28, the Board's titles were framed in ways that warrant reconsideration in the following two respects:

- (1) The required TABOR language at the beginning of the ballot questions, "SHALL STATE TAXES BE INCREASED \$_____ ANNUALLY FOR A TWENTY-YEAR PERIOD," could be read to suggest that the amounts that fill in the blank are the maximum tax amounts that can be collected and spent each year for 20 years. A common ballot title tool for addressing such a concern is to insert the following parenthetical after the dollar amount representing the first year's tax revenue increase, "(FIRST FULL FISCAL YEAR DOLLAR INCREASE)," and to remove "ANNUALLY FOR TWENTY YEARS."
- (2) Each measure contains one subject of funding certain categories of improvements by means of a new tax, and elements of #23-28 include: (a) authorization of a new sales and use tax; and (b) authorization of new indebtedness to effectuate certain types of improvements. The elements of a proposed initiative can be described in any order. *In re Title, Ballot Title and Submission Clause, and Summary Approved Feb. 2, 1994 Concerning Limited Gaming in Antonito*, 873 P.2d 733, 742 (Colo. 1994). That order should facilitate voter understanding of the proposal. The grouping of related material together is optimal in informing voters of the measure's proposed changes. *See generally id.* Describing the sales and use tax related central elements together, before describing the creation of indebtedness which is offset by using a portion of these new revenues, would alleviate any concerns about the current order of the ballot title.

WHEREFORE, the Board should consider the topics raised in this Motion for Rehearing as to the ballot titles set for #23-28 on April 19, 2017.

RESPECTFULLY SUBMITTED this 26th day of April, 2017.

RECHT KORNFELD, P.C.



Mark Grueskin
1600 Stout Street, Suite 1000
Denver, CO 80202
Phone: 303-573-1900
Email: mark@rklawpc.com

Addresses of Objectors/Proponents:

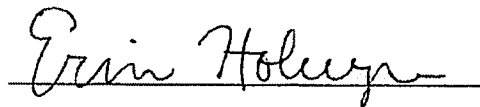
Anthony Milo
5534 E. 140th Drive
Thornton, CO

James Moody
2079 Uinta Street
Denver, CO

CERTIFICATE OF SERVICE

I hereby affirm that a true and accurate copy of the MOTION FOR REHEARING ON INITIATIVES 2017-18 #23, #24, #25, #26, #27, and #28 was sent this day, April 26, 2017 via email (Steven.Ward@SOS.STATE.CO.US), to the Title Board, at:

Suzanne Staiert
David Blake
Sharon Eubanks
c/o Colorado Title Board
1700 Broadway, Suite 200
Denver, CO 80261



Ballot Title Setting Board

Proposed Initiative 2017 2018 #27¹

The title as designated and fixed by the Board is as follows:

STATE TAXES SHALL BE INCREASED \$576,700,000 ANNUALLY FOR A TWENTY-YEAR PERIOD, AND STATE DEBT SHALL BE INCREASED \$3,500,000,000 WITH A MAXIMUM REPAYMENT COST OF \$5,000,000,000, TO PAY FOR TRANSPORTATION PROJECTS IN COLORADO, AND IN CONNECTION THEREWITH, CHANGING THE COLORADO REVISED STATUTES TO: 1) INCREASE THE STATE SALES AND USE TAX RATE BY 0.5% BEGINNING JANUARY 1, 2018, OF WHICH 35% IS USED TO FUND STATE TRANSPORTATION PROJECTS, 50% IS USED TO FUND MUNICIPAL AND COUNTY TRANSPORTATION PROJECTS, AND 15% OF THE NEW REVENUE IS USED TO FUND MULTIMODAL TRANSPORTATION PROJECTS; 2) AUTHORIZE THE ISSUANCE OF ADDITIONAL TRANSPORTATION REVENUE ANTICIPATION NOTES TO FUND PRIORITY STATE TRANSPORTATION MAINTENANCE AND CONSTRUCTION PROJECTS; 3) REQUIRE \$150,000,000 OF STATE GENERAL FUND REVENUE BE USED ANNUALLY DURING THE TWENTY-YEAR PERIOD TO PAY A PORTION OF THE PRINCIPAL AND INTEREST ON THE REVENUE ANTICIPATION NOTES; AND 4) PROVIDE THAT ALL REVENUE RESULTING FROM THE TAX RATE INCREASE, PROCEEDS FROM THE ISSUANCE OF REVENUE ANTICIPATION NOTES, AND EARNINGS ON SUCH TAX REVENUE AND NOTE PROCEEDS ARE VOTER-APPROVED REVENUE CHANGES EXEMPT FROM ANY LIMITATIONS IN LAW.

The ballot title and submission clause as designated and fixed by the Board is as follows:

SHALL STATE TAXES BE INCREASED \$576,700,000 ANNUALLY FOR A TWENTY-YEAR PERIOD, AND SHALL STATE DEBT BE INCREASED \$3,500,000,000 WITH A MAXIMUM REPAYMENT COST OF \$5,000,000,000, TO PAY FOR TRANSPORTATION PROJECTS IN COLORADO, AND IN CONNECTION THEREWITH, CHANGING THE COLORADO REVISED STATUTES TO: 1) INCREASE THE STATE

¹ Unofficially captioned “**Transportation Funding**” by legislative staff for tracking purposes. This caption is not part of the titles set by the Board.

SALES AND USE TAX RATE BY 0.5% BEGINNING JANUARY 1, 2018, OF WHICH 35% IS USED TO FUND STATE TRANSPORTATION PROJECTS, 50% IS USED TO FUND MUNICIPAL AND COUNTY TRANSPORTATION PROJECTS, AND 15% OF THE NEW REVENUE IS USED TO FUND MULTIMODAL TRANSPORTATION PROJECTS; 2) AUTHORIZE THE ISSUANCE OF ADDITIONAL TRANSPORTATION REVENUE ANTICIPATION NOTES TO FUND PRIORITY STATE TRANSPORTATION MAINTENANCE AND CONSTRUCTION PROJECTS; 3) REQUIRE \$150,000,000 OF STATE GENERAL FUND REVENUE BE USED ANNUALLY DURING THE TWENTY-YEAR PERIOD TO PAY A PORTION OF THE PRINCIPAL AND INTEREST ON THE REVENUE ANTICIPATION NOTES; AND 4) PROVIDE THAT ALL REVENUE RESULTING FROM THE TAX RATE INCREASE, PROCEEDS FROM THE ISSUANCE OF REVENUE ANTICIPATION NOTES, AND EARNINGS ON SUCH TAX REVENUE AND NOTE PROCEEDS ARE VOTER-APPROVED REVENUE CHANGES EXEMPT FROM ANY LIMITATIONS IN LAW?

Rehearing April 28, 2017:

Motion for Rehearing filed by Anthony Milo and James Moody denied; Motion for Rehearing filed by Dennis Polhill denied except to the extent that the Board made changes to the titles.

Hearing adjourned 1:02 p.m.

Hearing April 19, 2017:

Single subject approved; staff draft amended; titles set.

Hearing adjourned 12:54 p.m.