



TRANSPORTATION and TELECOMMUNICATIONS

Thursday March 16, 2017

2:30 p.m. (this date only)

CCI Office

(This meeting is recorded)

Teleconference: 1.857.216.6700 Passcode: 171009

AGENDA

WELCOME

Commissioner Sean Conway, Chair
 Commissioner Norm Steen, Vice Chair
 Eric Bergman

INTRODUCTIONS

LEGISLATION

Bill #	<u>HB17-1018</u>
Title	Extend Voter Approval Window for Regional Transportation Authority (RTA) Mill Levy
H-Spon	D. Mitsch Bush, L. Liston
S-Spon	B. Gardner
Summary	Current law authorizes a regional transportation authority to seek voter approval for a uniform mill levy of up to 5 mills on all taxable property within its territory, but the authorization is scheduled to repeal on January 1, 2019. The bill extends the authorization until January 1, 2029.
Position	Support - Governor Signed
Bill #	<u>HB17-1031</u>
Title	Hearings on Transportation Commission Districts
H-Spon	D. Mitsch Bush, T. Carver
S-Spon	J. Cooke, N. Todd
Summary	Transportation Legislation Review Committee. The bill requires the transportation legislation review committee to meet five times before November 15, 2017, once in each geographic quadrant of the state and once in the Denver metropolitan area, to: <ul style="list-style-type: none"> • Make available to meeting attendees the 2016 research study of changes to the state transportation commission districts (districts) since the boundaries of the districts were last redrawn in 1991, prepared by legislative council staff with the cooperation of the department of transportation as required by House Bill 16-1031; and

	<ul style="list-style-type: none"> • Offer opportunities to members of the public to express their opinions regarding the districts or the research study and offer comments and suggestions regarding whether the districts should be modified. The committee may consider the availability of remote testimony, and a public hearing conducted by remote testimony for the purpose of obtaining testimony from a single geographic quadrant of the state or from the Denver metropolitan area may count toward the requirements of the bill.
Position	Support
Bill #	HB17-1061
Title	Modify Definition of Commercial Vehicle
H-Spon	J. Becker, J. Melton
S-Spon	R. Scott, N. Todd
Summary	<p>Transportation Legislation Review Committee. The bill increases the minimum weight for classification as a commercial vehicle subject to the statutory and regulatory standards for commercial vehicles from 10,001 pounds to 16,001 pounds unless the vehicle is registered for use in interstate commerce. With respect to vehicles that would be classified as commercial vehicles but for the fact that they weigh between 10,001 and 16,000 pounds, the chief of the Colorado state patrol is authorized to adopt rules that authorize the Colorado state patrol to:</p> <ul style="list-style-type: none"> • Annually inspect these vehicles; • Enforce with respect to these vehicles all requirements for the securing of loads that apply to commercial vehicles; and • Enforce with respect to these vehicles all requirements relating to the use of coupling devices for commercial vehicles.
Position	No Position
Bill #	HB17-1166
Title	Access Between Highways and Adjoining Businesses
H-Spon	C. Navarro
S-Spon	K. Grantham
Summary	<p>The bill adds public convenience and the provision of reasonable access to and from public highways and adjoining businesses to the existing purposes for which the department of transportation (CDOT) and local governments are authorized to regulate access to public highways and specifically requires the provision of reasonable access to and from public highways and adjoining businesses to be considered in the development by CDOT of a state highway access code. The bill also specifies that if failure to grant a variance from the code would deny reasonable access to or from a business adjoining a divided state highway and the far side of the divided state highway, the denial may amount to a taking that requires just compensation under constitutional and statutory provisions pertaining to eminent domain.</p>
Position	Oppose – P.I.’d
Bill #	HB17-1171
Title	Authorize New Transportation Revenue Anticipation Notes

H-Spon	T. Carver, P. Buck
S-Spon	
Summary	<p>Fix Colorado Roads Act. This bill repeals a requirement that the state treasurer make conditional transfers, which are reduced or eliminated if the state is required to refund excess state revenues in accordance with the taxpayer's bill of rights, of a specified percentage of total general fund revenues from the general fund to the capital construction fund and the highway users tax fund for state fiscal years 2017-18, 2018-19, and 2019-20. Section 4 of the bill requires the state transportation commission to submit a ballot question to the voters of the state at the November 2017 statewide election, which, if approved, would authorize the executive director to issue additional TRANs in a maximum principal amount of \$3.5 billion and with a maximum repayment cost of \$5 billion once the TRANs already issued are repaid in full. The additional TRANs must have a maximum repayment term of 20 years, and the certificate, trust indenture, or other instrument authorizing their issuance must provide that the state may pay them in full before the end of the specified payment term without penalty. Additional TRANs must otherwise generally be issued subject to the same requirements and for the same purposes as the original TRANs; except that the transportation commission must pledge to annually allocate from legally available money under its control any money needed for payment of the notes in excess of amounts appropriated by the general assembly from the state highway fund for payment of the notes as authorized by section 6 of the bill until the notes are fully repaid. Section 5 of the bill requires proceeds from the sale of any additional TRANs that are not otherwise pledged for the payment of the TRANs to be used only for specified projects until all of the projects have been funded in whole or in part with such proceeds and have been fully funded and specifies additional transportation project contract award process requirements and limitations for a project to be funded in whole or in part with proceeds of additional TRANs. Sections 6 and 7 of the bill require 10% of state sales and use tax net revenue collected on or after July 1, 2017, to be credited to the highway users tax fund (HUTF), paid from the HUTF to the state highway fund for use, subject to annual appropriation by the general assembly, for payment of TRANs and, to the extent not used for that purpose, state transportation projects. Section 6 also requires 1% of state sales and use tax net revenue collected on or after July 1, 2017, less ten million dollars to be credited to the capital construction fund.</p>
Position	No Position
Bill #	HB17-1174
Title	Expand Use of Local Improvement Districts to Provide Broadband
H-Spon	J. Wilson
S-Spon	Crowder and Guzman
Summary	As amended, the bill allows counties with a population of fewer than 50,000 people to partner with wireline or wireless providers to create local improvement districts to provide broadband service in unserved areas.
Position	Support – CCI Legislative Priority
Bill #	HB17-1242
Title	New Transportation Infrastructure Funding Revenue

H-Spon	C. Duran, D. Mitch Bush
S-Spon	R. Baumgardner, K. Grantham
Summary	The bill would place a measure before the voters this November to raise the state sales tax by .62% in order to generate over \$700 million annually, with the revenue being dedicated to transportation. \$300 million of this would be used by CDOT to do \$3.5 billion in bonding to expedite Tier 1 projects around the state. The remaining \$400 million generated annually would be allocated 70% to counties and cities (to be shared equally) and 30% to a new multi-modal transportation grant program. The bill creates a new 11-member commission (with 4 seats going to local government representatives) to award these multi-modal grants. The bill also reduces the state side of the FASTER surcharges on vehicle registration and requires a \$50 million contribution by CDOT toward the debt service on the bonds.
Position	
Bill #	SB17-011
Title	Study Transportation Access for People with Disabilities (El Paso and Teller)
H-Spon	P. Lawrence
S-Spon	K. Lambert
Summary	<p>The bill creates a technical demonstration forum consisting of seven members to study and document how advanced technologies can improve transportation access for people with disabilities. The forum consists of the following agency officers or their designees:</p> <ul style="list-style-type: none"> • The executive director of the department of labor and employment, who serves as chair of the forum; • The executive director of the department of health care policy and financing, who serves as vice-chair of the forum; • The director of the public utilities commission; • The chief information officer of the office of information technology; • The executive director of the department of human services; • The director of the division of veterans affairs; and • The superintendent of the Colorado School for the Deaf and Blind. <p>To demonstrate the transportation access needs of people with disabilities in both urban and rural areas of the state, the forum is directed to study the transportation access needs of people with disabilities in El Paso and Teller counties and explore technological and transportation business solutions that could increase transportation access for people with disabilities in those areas. The forum may recommend that the executive director of the department of labor and employment enter into a contract with a technology developer or transportation business to conduct one or more pilot projects in El Paso County, Teller County, or both counties to demonstrate the efficacy of a certain technology or transportation business product to improve transportation access for people with disabilities. On or before December 31, 2017, the forum is required to publish a report of its research and findings, including the results of any pilot projects and any legislative recommendations developed, and to furnish copies of the report to the governor, members of the general assembly's majority and minority leadership, and the members of the joint budget committee. The forum and its responsibilities are repealed, effective July 1, 2018.</p>
Position	No Position

Bill #	SB17-042
Title	Repeal Local Government Internet Service Voter Approval
H-Spon	
S-Spon	K. Donovan, L. Guzman
Summary	Cities, counties, special districts, and other local governments (local government) are currently prohibited, with certain limited exceptions, from providing cable television, telecommunications service, or high-speed internet access without first seeking voter approval. A local government that does provide any of these services is further required to comply with all state and federal laws and regulations governing the service and prohibited from granting certain preferences or discriminating in connection with providing the service. The bill repeals these restrictions on the provision of cable television, telecommunications service, or high-speed internet access by a local government.
Position	Support - CCI Legislative Priority – P.I.’d
Bill #	SB17-081
Title	Rural Broadband Deployment
H-Spon	K. Becker, J. Arndt
S-Spon	K. Donovan
Summary	The bill updates the definition of a broadband network for purposes of telecommunications regulation and deregulation. It also updates how the Public Utilities Commission (PUC) makes an effective competition determination for high cost support mechanism (HCSM) funding, which is financial assistance provided to telecommunications companies that provide basic telephone service or broadband service in areas that lack effective competition. Finally, the bill establishes that HCSM funding cannot be used to support more than one wireline and one wireless line per individual household or individual business.
Position	Support – P.I.’d
Bill #	SB17-153
Title	Southwest Chief and Front Range Passenger Rail Commission
H-Spon	D. Esgar
S-Spon	L. Crowder, L. Garcia
Summary	The bill replaces the existing southwest chief rail line economic development, rural tourism, and infrastructure repair and maintenance commission (old commission), the current statutory authorization for which expires on July 1, 2017, with an expanded southwest chief and front range passenger rail commission (new commission). The new commission must: <ul style="list-style-type: none"> • Assume the old commission's powers and duties and its mission of preserving existing Amtrak southwest chief rail line service in the state, extending such service to Pueblo, and exploring the benefits of extending such service to Walsenburg; and • Facilitate the future of front range passenger rail and specifically develop and present by December 1, 2017, to the local government committees of the house of representatives and the senate, draft legislation to facilitate the development of a front range passenger rail system that provides passenger rail service in and along the interstate 25 corridor.

Position	Support
Bill #	SB17-205
Title	Multimodal Transportation Infrastructure Funding
H-Spon	P. Rosenthal
S-Spon	J. Kefalas
Summary	<p>The bill requires the state transportation commission to submit a ballot question to the voters of the state this November to increase the state sales and use tax from 2.9% to 3.15% and authorize the executive director of CDOT to issue additional TRANs in a maximum principal amount of \$4 billion and with a maximum repayment cost of \$5.75 billion. If the voters approve the ballot question implement the increase in the state sales and use tax rate. The additional TRANs must have a maximum repayment term of 20 years, and the certificate, trust indenture, or other instrument authorizing their issuance must provide that the state may pay them in full before the end of the specified payment term without penalty. Additional TRANs must otherwise generally be issued subject to the same requirements and for the same purposes as the original TRANs; except that the transportation commission must pledge to annually allocate from legally available money under its control any money needed for payment of the notes in excess of amounts appropriated by the general assembly from the state highway fund for payment of the notes as authorized by section 5 until the notes are fully repaid. Section 10 specifies that at least \$500 million of TRANs proceeds shall be used only for passenger rail service in the I-25 corridor and that remaining TRANs proceeds shall be used only to fund projects on CDOT's priority list for transportation funding. Section 10 also specifies additional transportation project contract award process requirements and limitations for a project to be funded in whole or in part with proceeds of additional TRANs. Sections 6 and 8 require all state sales and use tax net revenue that is attributable to any increase in the state sales and use tax rate resulting from the approval of the ballot question submitted pursuant to section 9 to be credited to the HUTF, paid from the HUTF to the state highway fund for use, subject to annual appropriation by the general assembly, for payment of TRANs and, to the extent not used for that purpose, state transportation projects.</p>
Position	

OTHER BUSINESS

NACO/FEDERAL UPDATE

ADJOURN



Memorandum

To: CCI Members

From: Eric Bergman, Policy Director, CCI

Date: March 12, 2017

Re: Overview and Analysis of HB17-1242

On March 8, a bipartisan, statewide transportation funding initiative was introduced in the General Assembly. The bill (HB17-1242) is being cosponsored by House Speaker Crisanta Duran, Senate President Kevin Grantham, and Rep. Diane Mitch Bush and Sen. Randy Baumgardner (the respective chairs of the House and Senate Transportation Committees).

The legislation is designed to expedite transportation projects statewide and provide new revenue for transportation projects at the local level.

The bill would do the following:

- Refer a measure to the November ballot increasing the state sales tax by .62% (moving the state sales tax from 2.9% to just over 3.5%), generating an estimated **\$700 million annually**. This new revenue would be **dedicated** to transportation funding. The sales tax increase would sunset in 2038.
- Reduce the **state-share** of the FASTER Road Safety surcharge, lowering vehicle registration fees by roughly \$75 million annually. This was part of the compromise between the House and Senate leadership to find some off-sets and ways to reduce fees. The bill also eliminates the remaining SB 228 transfers from the General Fund to CDOT.
- Authorize CDOT to issue TRANS bonds (up to \$3.5 billion) for Tier 1 projects around the state, and to use up to \$300 million of this sales tax increase annually for repayment of the bonds. CDOT is required to use \$50 million of its own budget for bond repayment (for a total of \$350 million annually in bond repayments). Under the bill, the Tier 1 projects would be listed in the “blue book” as opposed to appearing in the ballot question.

- Utilize the balance of the sales tax increase (approx. \$400 million annually) for local priorities around the state, as follows:
 - **70%** to local governments (to be split **evenly** between counties and cities)
 - **30%** to a new multi-modal transportation grant fund, to be distributed by a new commission and made available on a match basis to local governments. This new commission would be appointed by the Governor and made up of local government officials, transit experts, members of metropolitan planning organizations, and advocates.

- Enhance transparency and accountability, including citizen oversight of projects and a simple-to-navigate website so Coloradans can track the progress cost and timeline of projects, and ensuring the state is spending taxpayer dollars wisely.

Analysis

CCP's standing policy on new transportation revenue is that it should be shared according to the existing HUTF formula in statute. If this new revenue was shared according to the HUTF formula (60% to the state, 22% to counties and 18% to cities), it would break out annually as follows:

\$700 million = \$420 million to the state/**\$154 million to counties**/\$126 million to cities

Under HB 1242, the new revenue would break out as follows:

\$700 million = \$300 million to the state/**\$140 million to counties**/\$140 million to cities/\$120 million to multi-modal grant program (for both cities and counties)