Proposition 109
Authorize Bonds for Highway Projects

Proposition 109 proposes amending the Colorado statutes to:

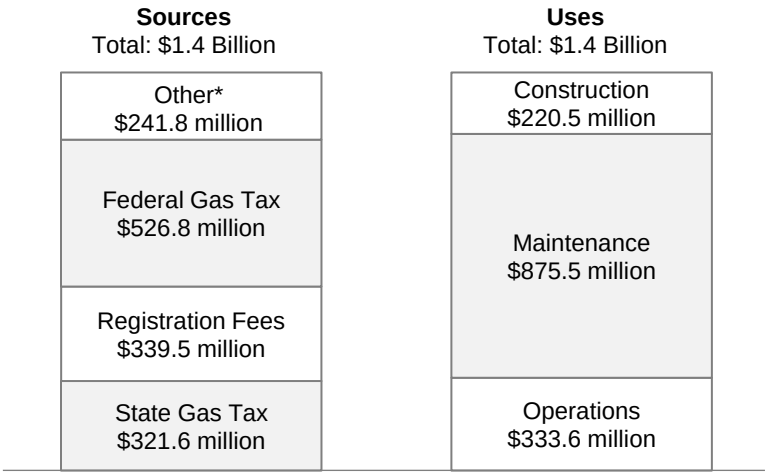
- require the state to borrow up to $3.5 billion in 2019 to fund up to 66 specific highway projects;
- direct the state to identify a source of funds to repay the borrowed amount without raising taxes or fees; and
- limit the total repayment amount, including principal and interest, to $5.2 billion over 20 years.

Summary and Analysis

This analysis outlines current state highway funding and describes the bond sale and repayment authorized by the measure for a specific list of statewide road and bridge projects. The analysis also describes transportation funding commitments that are conditional on the outcome of this measure.

Current state highway funding. Maintenance and construction of state highways are funded through the Colorado Department of Transportation (CDOT). CDOT receives most of its revenue from federal and state gasoline and diesel fuel taxes and from state vehicle registration fees, as shown in Figure 1. For state budget year 2017-18, CDOT spent approximately $1.2 billion, or roughly 85 percent of its revenue, on state highway maintenance and operations and $220.5 million, or 15 percent, on construction.

Figure 1
State Transportation Funding Sources and Uses
Budget Year 2017-18



Source: Colorado Department of Transportation.
**Other funding sources include federal grants, tolls, and other state and local funds.*

Bond sale and repayment. Proposition 109 directs CDOT to borrow up to $3.5 billion by selling transportation revenue bonds. The total repayment amount, including principal and interest, is limited to $5.2 billion. The bonds must be repaid in 20 years, and the state must reserve the right to repay the bonds ahead of schedule without penalty. Assuming the repayment schedule is for the full $5.2 billion over 20 years, the average annual repayment cost will be $260 million. Actual repayment amounts will vary depending on the terms of the revenue bonds.

Past bond sale and repayment for transportation projects. In 1999, voters approved the sale of $1.5 billion worth of bonds for transportation projects. The state was required to use the borrowed money to pay for up to 24 transportation projects across the state. Repayment costs for the 1999 bonds totaled $2.3 billion. The debt was fully repaid through various state and federal sources in December 2016.

Transportation funding commitments conditional on the outcome of Proposition 109. In the last two years, the state legislature passed two laws to increase funding for future transportation projects. In 2017, the state committed $1.5 billion for transportation projects through the sale and lease-back of state buildings. In 2018, the state devoted another $1.0 billion over a 20-year period for transportation projects from existing state revenues. Under current law, the $3.5 billion in proposed borrowing will replace these commitments, resulting in a net increase of $1.0 billion for transportation.

Road and bridge projects. Borrowed money under Proposition 109 may only be used for road and bridge expansion, construction, maintenance, and repair on the 66 transportation projects located throughout the state identified in the measure on pages X through XX. The funding provided through the measure is not enough to pay for all the projects identified in the measure; the estimated cost of the projects is $5.6 billion. The final selection and order of construction will be determined by CDOT and the Transportation Commission, an 11-member body appointed by the Governor to prioritize statewide transportation needs.

> *For information on those issue committees that support or oppose the measures on the ballot at the November 6, 2018, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:*
>
> *http://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html*

Arguments For

1) Proposition 109 accelerates the construction of essential highway projects without raising taxes or fees. Building and maintaining a highway system are core functions of government. The state has failed to invest sufficient funds to maintain and expand the highway system. The measure corrects this by directing the state to prioritize highway projects ahead of other programs.

2) The lack of highway capacity is the most significant contributor to traffic congestion in the state and causes delays, increases business costs, and reduces driver and passenger safety. The measure requires the state to invest more money in transportation, improving the state's economy and quality of life.

Arguments Against

1) Proposition 109 commits up to $5.2 billion to repay borrowing without creating a new source of revenue. This commitment diverts money from other programs, which may include education, health care, and routine transportation maintenance. Furthermore, the measure would pay for only a portion of the projects and fails to address the cost of ongoing maintenance of these projects.

2) In 2018, the state demonstrated its commitment to transportation funding by pledging $1.0 billion from existing revenue sources. If Proposition 109 passes, it replaces this commitment with borrowed money. Borrowing is expensive. Under this measure, approximately $1.7 billion in taxpayer money will be spent on interest payments.

Estimate of Fiscal Impact

Proposition 109 makes changes to transportation finance over 20 years. Its effects on state revenue and expenditures are summarized below.

State revenue. The measure requires the state to sell revenue bonds, which will increase state revenue by up to $3.5 billion. Under current law, bond revenue collected under Proposition 109 will replace $1.5 billion in state revenue from the sale and lease-back of state buildings. On net, Proposition 109 increases state revenue by up to $2.0 billion.

State expenditures. The measure authorizes $3.5 billion in state revenue from the sale of bonds to be spent on transportation projects. However, current state law directs other funding commitments to be cancelled if the measure passes, resulting in a net increase in spending on transportation of up to $1.0 billion.

The measure commits up to $5.2 billion to the repayment of debt. These financing costs will replace the $2.25 billion in financing costs related to the sale and lease-back of state buildings, resulting in a net increase in financing costs of up to $2.95 billion.

Initiative #167
Authorize Bonds for Highway Projects

Proposition ? proposes amending the Colorado statutes to:

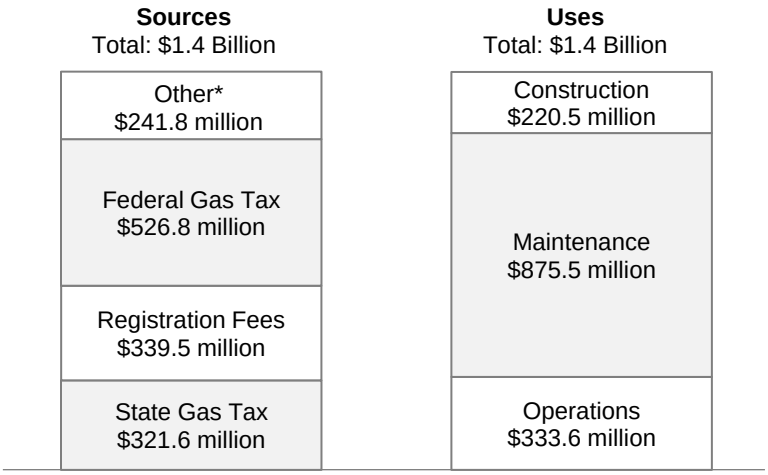
- require the state to borrow up to $3.5 billion in 2019 to fund up to 66 specific highway projects;
- direct the state to identify a source of funds to repay the borrowed amount without raising taxes or fees; and
- limit the total repayment amount, including principal and interest, to $5.2 billion over 20 years.

Summary and Analysis

This analysis outlines current state highway funding and describes the bond sale and repayment authorized by the measure for a specific list of statewide road and bridge projects. The analysis also describes transportation funding commitments that are conditional on the outcome of this measure.

Current state highway funding. Maintenance and construction of state highways are funded through the Colorado Department of Transportation (CDOT). CDOT receives most of its revenue from federal and state gasoline and diesel fuel taxes and from state vehicle registration fees, as shown in Figure 1. For state budget year 2017-18, CDOT spent approximately $1.2 billion, or roughly 85 percent of its revenue, on state highway maintenance and operations and $220.5 million, or 15 percent, on construction.

Figure 1
State Transportation Funding Sources and Uses
Budget Year 2017-18



Source: Colorado Department of Transportation.
**Other funding sources include federal grants, tolls, and other state and local funds.*

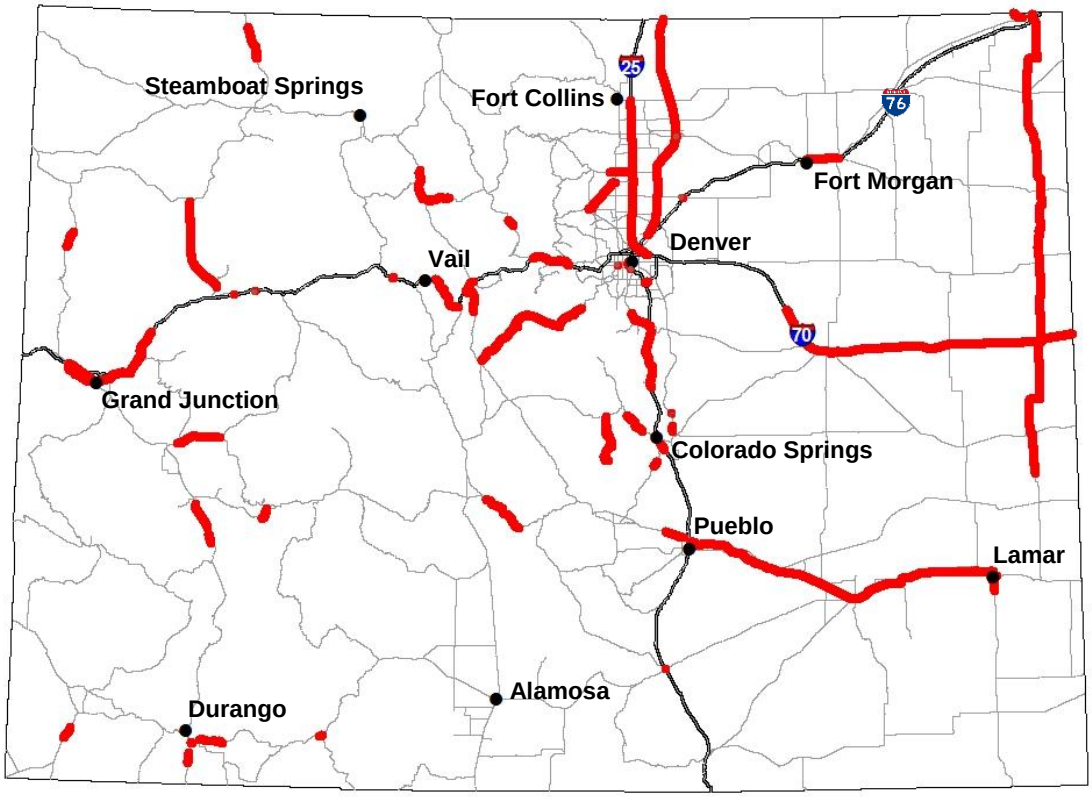
Bond sale and repayment. Proposition ? directs CDOT to borrow up to $3.5 billion by selling transportation revenue bonds. The total repayment amount, including principal and interest, is limited to $5.2 billion. The bonds must be repaid in 20 years, and the state must reserve the right to repay the bonds ahead of schedule without penalty. Assuming the repayment schedule is for the full $5.2 billion over 20 years, the average annual repayment cost will be $260 million. Actual repayment amounts will vary depending on the terms of the revenue bonds.

Past bond sale and repayment for transportation projects. In 1999, voters approved the sale of $1.5 billion worth of bonds for transportation projects. The state was required to use the borrowed money to pay for up to 24 transportation projects across the state. Repayment costs for the 1999 bonds totaled $2.3 billion. The debt was fully repaid through various state and federal sources in December 2016.

Transportation funding commitments conditional on the outcome of Proposition ?. In the last two years, the state legislature passed two laws to increase funding for future transportation projects. In 2017, the state committed $1.5 billion for transportation projects through the sale and lease-back of state buildings. In 2018, the state devoted another $1.0 billion over a 20-year period for transportation projects from existing state revenues. Under current law, the $3.5 billion in proposed borrowing will replace these commitments, resulting in a net increase of $1.0 billion for transportation.

Road and bridge projects. Borrowed money under Proposition ? may only be used for road and bridge expansion, construction, maintenance, and repair on the 66 transportation projects identified in the measure. These projects are located throughout the state as shown in Figure 2. The funding provided through the measure is not enough to pay for all the projects identified in the measure; the estimated cost of the projects is $5.6 billion. The final selection and order of construction will be determined by CDOT and the Transportation Commission, an 11-member body appointed by the Governor to prioritize statewide transportation needs.

Figure 2
Map Highlighting State Highway System Projects Included in Proposition ?



For information on those issue committees that support or oppose the measures on the ballot at the November 6, 2018, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

http://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html

Arguments For

1) Proposition ? accelerates the construction of essential highway projects without raising taxes or fees. Building and maintaining a highway system are core functions of government. The state has failed to invest sufficient funds to maintain and expand the highway system. The measure corrects this by directing the state to prioritize highway projects ahead of other programs.

2) The lack of highway capacity is the most significant contributor to traffic congestion in the state and causes delays, increases business costs, and reduces driver and passenger safety. The measure requires the state to invest more money in transportation, improving the state's economy and quality of life.

Arguments Against

1) Proposition ? commits up to $5.2 billion to repay borrowing without creating a new source of revenue. This commitment diverts money from other programs, which may include education, health care, and routine transportation maintenance. Furthermore, the measure would pay for only a portion of the projects and fails to address the cost of ongoing maintenance of these projects.

2) In 2018, the state demonstrated its commitment to transportation funding by pledging $1.0 billion from existing revenue sources. If Proposition ? passes, it replaces this commitment with borrowed money. Borrowing is expensive. Under this measure, approximately $1.7 billion in taxpayer money will be spent on interest payments.

Estimate of Fiscal Impact

Proposition ? makes changes to transportation finance over 20 years. Its effects on state revenue and expenditures are summarized below.

State revenue. The measure requires the state to sell revenue bonds, which will increase state revenue by up to $3.5 billion. Under current law, bond revenue collected under Proposition ? will replace $1.5 billion in state revenue from the sale and lease-back of state buildings. On net, Proposition ? increases state revenue by up to $2.0 billion.

State expenditures. The measure authorizes $3.5 billion in state revenue from the sale of bonds to be spent on transportation projects. However, current state law directs other funding commitments to be cancelled if the measure passes, resulting in a net increase in spending on transportation of up to $1.0 billion.

The measure commits up to $5.2 billion to the repayment of debt. These financing costs will replace the $2.25 billion in financing costs related to the sale and lease-back of state buildings, resulting in a net increase in financing costs of up to $2.95 billion.

Last Draft Comments from Interested Parties

Proposition 109
Authorize Bonds for Highway Projects

Jon Caldara, representing the Independence Institute:

In the “purposes” you don’t say the real purpose which is to borrow $3.5 billion for specific transportation projects and have the state repay the borrowed amount, without raising taxes or fees, by reallocating less than 2% of the state budget.

That’s the whole purpose for the initiative!!!! That should be stated right at first. Not to do so seems hostile towards the measure.

In the arguments for you fail to mention that the projects are listed in the wording of the measure itself. Voters know exactly what they are going to get.

Thanks you.

Michael Lewis, representing the Colorado Department of Transportation:

The Colorado Department of Transportation (CDOT) and Transportation Commission (TC) are encouraged that two ballot issues are being proposed to address critical transportation needs in the state of Colorado. As such we have been working to provide the most accurate information to the public about how we would implement the voters' intent, should either of the initiatives pass.

As the primary tool to inform the public about proposed ballot issues, the Blue Book is relied upon by agencies like the Colorado Department of Transportation to accurately communicate facts and information about them. We greatly appreciate the effort that it takes to ensure the appropriate detail is included, in order to be consistent in its discussion of the impacts of the two upcoming transportation ballot initiatives, and of how CDOT may implement them.

The current Blue Book draft appears to have an inconsistent analysis of the two initiatives. We would appreciate the Legislative Council consider the following:

- **Initiative 167**: The draft Initiative 167 section includes a map of all of the listed projects. While the Blue Book text correctly acknowledges that the project list contained in Initiative 167 will cost approximately $5.6 billion and will need to be adjusted down to account for the $3.5 billion actually available for construction of the improvements, we are concerned that inclusion of a map that shows all the projects could mislead the voters.

  It would also be important to note that SB 18-001 repeals the final three years of transportation funding under SB 17-267 should Initiative 167 be passed. SB 17-267 provided for an issuance of $1.88 billion in Certificates of Participation (COPs) for projects around the state. The repeal would eliminate $1.5 billion, making the net benefit of the passage of Initiative 167 $2 billion, rather than $3.5 billion.

Last Draft Comments from Interested Parties

Michael Lewis, representing the Colorado Department of Transportation (cont.):

> *Request*: We request that you either eliminate the map or adjust the map to more accurately reflect the impact of Initiative 167. CDOT would also be able to provide additional information on how we would implement the project plan.

Again, in order to provide the public with the most accurate and consistent information on the content of the potential ballot issues as well as how CDOT would implement the proposed initiatives, we request that the Legislative Council apply a consistent analysis to the two initiatives. At a minimum, we would request that both initiatives be treated equally in inclusion or removal of a map.

Thank you for your attention to this matter. We appreciate the complexities you have to consider when developing the Blue Book for voters and providing them with the most accurate and consistent information. Please let us know if you have any questions or would like to discuss this material in greater detail.

Shayne Madsen, representing the Independence Institute and the Fix Our Damn Roads Issue Committee:

Thank you for the opportunity to submit these final comments. On behalf of the Independence Institute and the Fix Our Damn Roads issue committee, we have the following comments:

First we request that the third bullet on the first page, lines 6 & 7 be redrafted to state “direct the state to reallocate less than 2% of the budget to repay the borrowed amount without raising taxes or fees.” This revision will fairly and objectively reflect the intent and language of the measure.

Second, in the Arguments For section (where deference is given to the proponents of the measure), please add “or fees” on line 5 to reflect the actual language of the measure and be consistent with the staff blue book draft. The next sentence is not needed so we suggest that the sentence beginning with “Building” on lines 5 and 6 be deleted in its entirety. The last sentence in lines 7 and 8 should be revised to read “The measure corrects this by directing the state to re-prioritize less than 2% of the state budget to pay for the costs of transportation borrowing.”

Carla Perez, representing Let’s Go Colorado:

Ms. Perez submitted written comments (Attachment A).

Eric Richardson, representing the Colorado Department of Transportation:

Page 3 Map: Should make it clear that this map was not put together by CDOT, and it contains $5.6 billion worth of projects that cannot be completed with potentially $3.5 billion in bonds. Underneath the map, language such as: "Map illustrates $5.6 billion in project expenditures. Map source: Initiative #167 Sponsors."

3rd Draft

Initiative #167
Authorize Bonds for Highway Projects

Proposition ? proposes amending the Colorado statutes to:

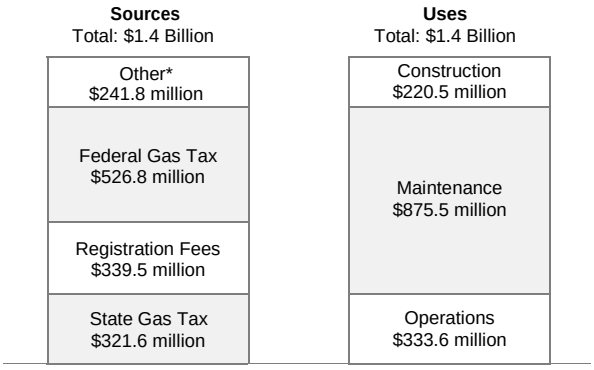
- require the state to borrow up to $3.5 billion in 2019 to fund up to 66 specific highway projects;
- direct the state to identify a source of funds to repay the borrowed amount without raising taxes or fees; and
- limit the total repayment amount, including principal and interest, to $5.2 billion over 20 years.

Summary and Analysis

This analysis outlines current state highway funding and describes the bond sale and repayment authorized by the measure for a specific list of statewide road and bridge projects. The analysis also describes transportation funding commitments that are conditional on the outcome of this measure.

Current state highway funding. Maintenance and construction of state highways are funded through the Colorado Department of Transportation (CDOT). CDOT receives most of its revenue from federal and state gasoline and diesel fuel taxes and from state vehicle registration fees, as shown in Figure 1. For state budget year 2017-18, CDOT spent approximately $1.2 billion, or roughly 85 percent of its revenue, on state highway maintenance and operations and $220.5 million, or 15 percent, on construction.

Figure 1
State Transportation Funding Sources and Uses
Budget Year 2017-18



Source: Colorado Department of Transportation.
**Other funding sources include federal grants, tolls, and other state and local funds.*

3rd Draft

Bond sale and repayment. Proposition ? directs CDOT to borrow up to $3.5 billion by selling transportation revenue bonds. The total repayment amount, including principal and interest, is limited to $5.2 billion. The bonds must be repaid in 20 years, and the state must reserve the right to repay the bonds ahead of schedule without penalty. Assuming the repayment schedule is for the full $5.2 billion over 20 years, the average annual repayment cost will be $260 million. Actual repayment amounts will vary depending on the terms of the revenue bonds.

Past bond sale and repayment for transportation projects. In 1999, voters approved the sale of $1.5 billion worth of bonds for transportation projects. The state was required to use the borrowed money to pay for up to 24 transportation projects across the state. Repayment costs for the 1999 bonds totaled $2.3 billion. The debt was fully repaid through various state and federal sources in December 2016.

Transportation funding commitments conditional on the outcome of Proposition ?. In the last two years, the state legislature passed two laws to increase funding for future transportation projects. In 2017, the state committed $1.5 billion for transportation projects through the sale and lease-back of state buildings. In 2018, the state devoted another $1.0 billion over a 20-year period for transportation projects from existing state revenues. Under current law, the $3.5 billion in proposed borrowing will replace these commitments, ~~resulting in a net increase of $1.0 billion for transportation~~.

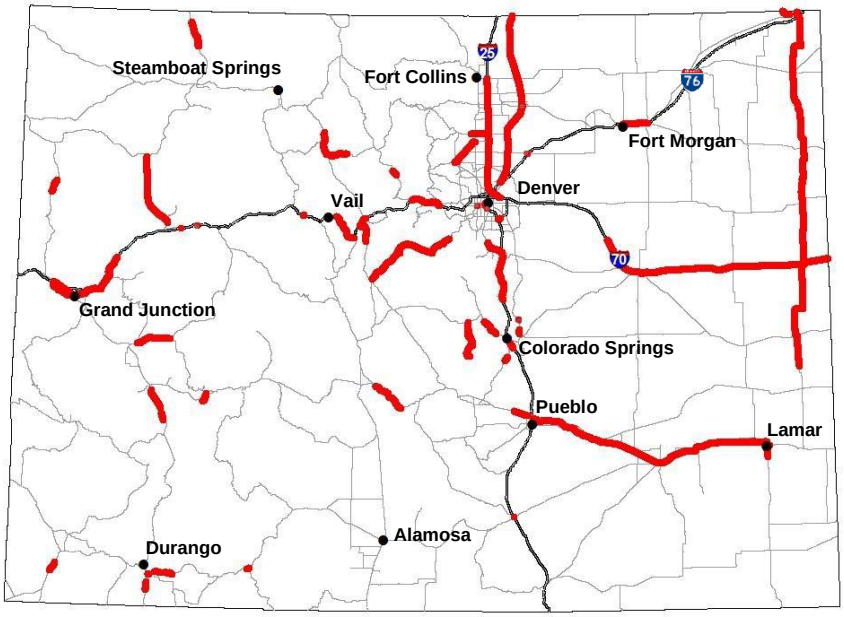
Road and bridge projects. Borrowed money under Proposition ? may only be used for road and bridge expansion, construction, maintenance, and repair on the 66 transportation projects identified in the measure. These projects are located throughout the state as shown in Figure 2. The funding provided through the measure is not enough to pay for all the projects identified in the measure; the estimated cost of the projects is $5.6 billion. The final selection of what projects can be built and order of construction will be determined by CDOT and the Transportation Commission, an 11-member body appointed by the Governor to prioritize statewide transportation needs.

Comment: Delete this language. T
is not an increase in new funding i
CDOT has to make the bond
payments from existing funds shou
the legislature be unable or choos
not to make a fund transfer to CDO

Comment: Need to recognize that
all projects can be built under this
proposal.

3rd Draft

Figure 2
Map Highlighting State Highway System Projects Included in Proposition ?



For information on those issue committees that support or oppose the measures on the ballot at the November 6, 2018, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

http://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html

Arguments For

1) Proposition ? accelerates the construction of essential highway projects without raising taxes or fees. Building and maintaining a highway system are core functions of government. The state has failed to invest sufficient funds to maintain and expand the highway system. The measure corrects this by directing the state to prioritize highway projects ahead of other programs.

2) The lack of highway capacity is the most significant contributor to traffic congestion in the state and causes delays, increases business costs, and reduces driver and passenger safety. The measure requires the state to invest more money in transportation, improving the state's economy and quality of life.

Commented [CP1]: Comments submitted on behalf of the Let's Go, Colorado campaign.

Comment: Map is inaccurate becau gives the reader the impression tha these projects can be built under th initiative and they cannot because insufficient funds in the proposal.

Arguments Against

1) Proposition ? commits up to $5.2 billion to repay borrowing without creating a new source of revenue. This commitment diverts money from other programs, which may include education, health care, and routine transportation maintenance. Furthermore, the measure would pay for only a portion of the projects and fails to address the cost of ongoing maintenance of these projects.

2) In 2018, the state demonstrated its commitment to transportation funding by pledging $1.0 billion from existing revenue sources. If Proposition ? passes, it replaces this commitment with borrowed money. Borrowing is expensive. Under this measure, approximately $1.7 billion in taxpayer money will be spent on interest payments.

Estimate of Fiscal Impact

Proposition ? makes changes to transportation finance over 20 years. Its effects on state revenue and expenditures are summarized below.

State revenue. The measure requires the state to sell revenue bonds, which will increase state revenue by up to $3.5 billion. Under current law, bond revenue collected under Proposition ? will replace $1.5 billion in state revenue from the sale and lease-back of state buildings. On net, Proposition ? increases state revenue by up to $2.0 billion.

State expenditures. The measure authorizes $3.5 billion in state revenue from the sale of bonds to be spent on transportation projects. However, current state law directs other funding commitments to be cancelled if the measure passes, resulting in a net increase in spending on transportation of up to $1.0 billion.

The measure commits up to $5.2 billion to the repayment of debt. These financing costs will replace the $2.25 billion in financing costs related to the sale and lease-back of state buildings, resulting in a net increase in financing costs of up to $2.95 billion.

Proposition #109
Authorize Bonds for Highway Projects
Contact List

Ruth Aponte
Aponte & Busam Public Affairs
raponte@aponte-busam.com

Amy Attwood
amy@amyattwood.com

Dan Blankenship
dblankenship@rfta.com

Douglas Bruce
taxcutter@msn.com

Senator Greg Brophy
senatorbrophy@gmail.com

Nate Brown
Colorado House of Representatives
nate.brown.cohouse@gmail.com

Eddie Bustamante
Labor Union Local 720
ebustamante@coloradolaborers.com

Jon Caldara
Independence Institute
jc@i2i.org

Kyle Compton
kyle.compton@remi.com

Theresa Conley
Conservation Colorado
theresa@conservationco.org

Sherry Ellebracht
Regional Transportation District
sherry.ellebracht@rtd-denver.com

Becky English
beckyrep@gmail.com

Peter Evangelakis
peter.evangelakis@remi.com

JM Fay
jmfay@totalspeed.net

Kelli Fritts
AARP Colorado
kfritts@aarp.org

Greg Fulton
Colorado Motor Carriers Associations
greg@cmca.com

Tony Gagliardi
National Federation of Independent Businesses
tony.gagliardi@nfib.org

Landon Gates
Capitol Focus
landon@capitolfocusllc.com

Miriam Gillow-Wiles
Southwest Colorado Council of Governments
director@swccog.org

Jessica Goad
Conservation Colorado
jessica@conservationco.org

Elliot Goldbaum
Colorado Fiscal Institute
goldbaum@coloradofiscal.org

Carol Hedges
Colorado Fiscal Institute
Hedges@coloradofiscal.org

Brock Herzberg
brock@capitolfocusllc.com

Rich Jones
The Bell Policy Center
jones@bellpolicy.org

Brent Kinman
House Minority Staff
brent.kinman@state.co.us

Pete Kirchhof
Kirchhof Group
pete@kirchhofgroupinc.com

Initiative #167
Authorize Bonds for Highway Projects
Contact List

Ron Kirk
Colorado Department of Revenue
ron.kirk@state.co.us

Barbara Koelzer
Fix Colorado Roads
barbara@ires-net.com

Mike Kraus
Independence Institute
mike@i2i.org

Lauren Lambert
Governor's Office
lauren.lambert@state.co.us

Representative Tim Leonard
tim.leonard@coloradohd25.com

Brian Lewandowski
Leeds School of Business
brian.lewandowski@colorado.edu

Becky Long
Conservation Colorado
becky@siegelpa.com

Shayne Madsen
shayne.madsen1@gmail.com

Jake Martin
jmartin@letsgocolorado.com

Rich Mauro
DRCOG
rmauro@drcog.org

Natalie Menten
Regional Transportation District
nmlakewood@gmail.com

Sarah Mercer
smercer@bhfs.com

Ali Mickelson
Colorado Fiscal Institute
mickelson@coloradofiscal.org

Tony Milo
Colorado Contractors Association
tmilo@ccainfo.org

Kurtis Morrison
Governor's Office
kurtis.morrison@state.co.us

Robert Murphy
AARP
rdmurphy@aarp.org

Marty Neilson
Colorado Union of Taxpayers
marty5539@gmail.com

Melissa Osse
Axiom Strategies
melissa@axiompolitics.com

Nico Pento
House Republicans
nicoli.pento@state.co.us

Abbey Pizel
Colorado Fiscal Institute
pizel@coloradofiscal.org

Carson Priest
Crl Associates
cpriest@crlassociates.com

Ann Rajewski
Elena Wilken
Colorado Association of Transit Agencies
executivedirector@coloradotransit.com

Eric Richardson
eric.richardson@state.co.us

Jan Rose
motor.mouth.jan@gmail.com

Representative Lori Saine
lori.saine.house@state.co.us

Jason Schrock
Office of State Planning and Budgeting
jason.schrock@state.co.us

Initiative #167
Authorize Bonds for Highway Projects
Contact List

Sandra Solin
sandra.solin@kutakrock.com

Ben Stein
ben.stein@mail.house.gov

Chris Stiffler
Colorado Fiscal Institute
stiffler@coloradofiscal.org

Herman Stockinger
Colorado Department of Transportation
herman.stockinger@state.co.us

Lee Stroud
leestroud2@msn.com

Frank Sullivan
frank.sullivan.123@gmail.com

Luke Teater
Office of State Planning and Budgeting
luke.teater@state.co.us

Will Toor
wtoor@swenergy.org

Megan Wagner
megan@bbmk.com

Kachina Weaver
kweaver@aponte-busam.com

Jeff Weist
jeff@weistcapitol.com

Paul Wisor
Kline Alvarado Veio
pwisor@kvfirm.com

Initiative 167
Authorize Bonds for Highway Projects

Ballot Title: SHALL STATE DEBT BE INCREASED $3,500,000,000, WITH A MAXIMUM REPAYMENT COST OF $5,200,000,000, WITHOUT RAISING TAXES OR FEES, BY A CHANGE TO THE COLORADO REVISED STATUTES REQUIRING THE ISSUANCE OF TRANSPORTATION REVENUE ANTICIPATION NOTES, AND, IN CONNECTION THEREWITH, NOTE PROCEEDS SHALL BE RETAINED AS A VOTER-APPROVED REVENUE CHANGE AND USED EXCLUSIVELY TO FUND SPECIFIED ROAD AND BRIDGE EXPANSION, CONSTRUCTION, MAINTENANCE, AND REPAIR PROJECTS THROUGHOUT THE STATE?

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

SECTION 1. In Colorado Revised Statutes, **add** part 11 to article 4 of title 43 as follows:

PART 11
FIX OUR DAMN ROADS

43-4-1101. Short Title. THE SHORT TITLE OF THIS ACT IS "FIX OUR DAMN ROADS."

43-4-1102. Legislative declaration. (1) THE PEOPLE OF THE STATE OF COLORADO FIND AND DECLARE THAT:

(a) COLORADO'S ELECTED OFFICIALS HAVE DECREASED FUNDING FOR THE CORE GOVERNMENTAL FUNCTION OF ROAD AND BRIDGE CONSTRUCTION, MAINTENANCE AND REPAIR OVER THE LAST DECADE; AND

(b) WITHOUT RAISING TAXES OR FEES, THE SALE OF ADDITIONAL REVENUE ANTICIPATION NOTES SHOULD BE AUTHORIZED IN THE AMOUNT OF THREE BILLION FIVE HUNDRED MILLION DOLLARS WITH THE PROCEEDS TO BE SPENT SOLELY ON ROAD AND BRIDGE EXPANSION, CONSTRUCTION, MAINTENANCE AND REPAIR ON THE STATEWIDE PROJECTS LISTED IN THIS PART 11 TO ACCELERATE COMPLETION OF THOSE PROJECTS, THAT THE PRINCIPAL AND INTEREST ON THE BORROWED MONEY SHOULD BE PAID OUT OF THE STATE BUDGET AS PROVIDED IN THIS PART 11, THAT THE BORROWED MONEY AND THE INTEREST BE EXCLUDED FROM THE STATE'S SPENDING LIMIT, AND FINALLY THAT THE EXECUTIVE BRANCH AGENCIES BE PROHIBITED FROM TRANSFERRING THESE PROCEEDS TO ANY OTHER PROGRAMS OR PURPOSES.

43-4-1103. Revenue Anticipation Notes. AS SOON AS POSSIBLE AFTER THE EFFECTIVE DATE OF THIS PART 11, BUT NO LATER THAN JULY 1, 2019, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION SHALL ISSUE REVENUE ANTICIPATION NOTES IN A MAXIMUM AMOUNT OF THREE BILLION FIVE HUNDRED MILLION DOLLARS WITH A MAXIMUM REPAYMENT COST OF FIVE BILLION TWO HUNDRED MILLION DOLLARS. THE MAXIMUM REPAYMENT TERM FOR ANY NOTES SHALL BE 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. THESE PURPOSES CAN BE ACHIEVED WITHOUT RAISING TAXES.

43-4-1104. Required Action by the general assembly. WITHOUT RAISING TAXES OR FEES, COMMENCING AS SOON AS POSSIBLE AFTER THE EFFECTIVE DATE OF THIS PART 11, ON OR BEFORE JULY 1, 2019, AND ON OR BEFORE JULY 1 OF EACH YEAR THEREAFTER UNTIL THE NOTES ARE PAID IN FULL, THE GENERAL ASSEMBLY SHALL IDENTIFY AND APPROPRIATE IN EACH FISCAL YEAR

SUFFICIENT FUNDS FOR THE REPAYMENT COST OF THE NOTES UNTIL THE NOTES ARE PAID IN FULL. ANY ANNUAL APPROPRIATIONS MADE BY THE GENERAL ASSEMBLY SHALL BE MADE IN ACCORDANCE WITH LAW AND RULINGS ISSUED BY THE COLORADO SUPREME COURT.

43-4-1105. Restricted use of proceeds. THE PROCEEDS OF SUCH ADDITIONAL TRANSPORTATION REVENUE ANTICIPATION NOTES SHALL BE EXCLUDED FROM STATE FISCAL YEAR SPENDING LIMITS AND SHALL BE USED EXCLUSIVELY FOR ROAD AND BRIDGE EXPANSION, CONSTRUCTION, MAINTENANCE AND REPAIR AND SHALL NOT BE USED FOR TRANSIT, ADMINISTRATION OR INDIRECT COSTS AND EXPENSES. THE PROCEEDS DISTRIBUTED HEREUNDER SHALL BE IN ADDITION TO ANY REVENUE APPROPRIATED OR DEDICATED FOR ROAD AND BRIDGE EXPANSION, CONSTRUCTION, MAINTENANCE AND REPAIR. THE PROCEEDS SHALL BE USED ONLY FOR THE PROJECTS IDENTIFIED IN THIS PART 11 AND FOR COSTS DIRECTLY RELATED TO SUCH PROJECTS INCLUDING PLANNING, ENGINEERING, ENVIRONMENTAL ASSESSMENTS, AS WELL AS PROCUREMENT AND ADMINISTRATIVE COSTS. THE EXECUTIVE BRANCH SHALL NOT TRANSFER THE PROCEEDS TO ANY OTHER PROGRAMS OR FOR OTHER PURPOSES.

43-4-1106. Projects. (1) THE COLORADO DEPARTMENT OF TRANSPORTATION AND THE TRANSPORTATION COMMISSION SHALL USE THE PROCEEDS DESCRIBED IN SECTION 43-4-1105 EXCLUSIVELY FOR THE FEDERAL AID TRANSPORTATION PROJECTS LISTED IN THIS SECTION:

(a) IN THE NORTH FRONT RANGE TRANSPORTATION PLANNING REGION:

(I) US 34 / US 85 INTERCHANGE RECONFIGURATION, IMPROVEMENTS TO THE SAFETY AND CAPACITY OF THE INTERCHANGE AND CORRIDOR IMPROVEMENTS BASED OFF HIGHWAY 85 PLANNING AND ENVIRONMENTAL LINKAGES; AND

(II) I-25 NORTH, STATE HIGHWAY 7 TO STATE HIGHWAY 14, ADD A LANE IN EACH DIRECTION, INTERCHANGE RECONSTRUCTION, MAINLINE RECONSTRUCTION, SAFETY AND INTELLIGENT TRANSPORTATION SAFETY IMPROVEMENTS.

(b) IN THE PIKES PEAK TRANSPORTATION PLANNING REGION:

(I) STATE HIGHWAY 21, CONSTITUTION TO NORTH CAREFREE, CONSTRUCTION OF INTERIM CONTINUOUS FLOW INTERSECTION;

(II) US 24 WEST, I-25 TO WOODLAND PARK, DRAINAGE AND INTERSECTION IMPROVEMENTS ON US 24 FROM I-25 TO WOODLAND PARK;

(III) I-25 SOUTH, WIDENING S. ACADEMY TO CIRCLE/LAKE, WIDENING OF ROADWAY TO SIX LANES; AND

(IV) STATE HIGHWAY 21, RESEARCH PARKWAY INTERCHANGE, CONSTRUCTION OF NEW GRADE-SEPARATED INTERCHANGE AT STATE HIGHWAY 21 AND RESEARCH PARKWAY.

(c) IN THE PUEBLO AREA TRANSPORTATION PLANNING REGION:

(I) US 50B, WIDEN TO FOUR LANES, SHOULDERS, PASSING LANES AND OTHER SAFETY IMPROVEMENTS TO THE KANSAS BORDER; AND

(II) US 50, WEST OF PUEBLO, WIDEN THE DIVIDED HIGHWAY FROM TWO LANES TO THREE LANES.

(d) IN THE SOUTHEAST TRANSPORTATION PLANNING REGION: US 287 LAMAR RELIEVER ROUTE, CONSTRUCTION OF RELIEVER ROUTE, REALIGNMENT OF US 50 TO FUTURE US50/US 287 INTERCHANGE.

(e) IN THE UPPER FRONT RANGE TRANSPORTATION PLANNING REGION:

(I) I-76, FORT MORGAN TO BRUSH, PHASE 4 RECONSTRUCTION OF ROADWAY AND INTERCHANGES BETWEEN FT. MORGAN AND BRUSH;

(II) I-76, FORT MORGAN TO BRUSH, PHASE 5 RECONSTRUCTION OF ROADWAY AND INTERCHANGES BETWEEN FT. MORGAN AND BRUSH; AND

(III) STATE HIGHWAY 52 INTERCHANGE IN HUDSON, RECONSTRUCTION OF INTERCHANGE.

(f) IN THE GREATER DENVER AREA TRANSPORTATION PLANNING REGION:

(I) I-25 SOUTH, MONUMENT TO CASTLE ROCK, EXPAND CAPACITY MONUMENT TO CASTLE ROCK AS OUTLINED IN PLANNING AND ENVIRONMENTAL LINKAGES STUDY;

(II) I-25 CENTRAL, SANTA FE TO ALAMEDA, VALLEY HIGHWAY PHASE 2.0 IMPROVEMENTS, COMPLETE ALAMEDA INTERCHANGE INCLUDING RECONSTRUCTION OF LIPAN, RECONSTRUCTION OF ALAMEDA BRIDGE OVER THE SOUTH PLATTE AND FINALIZE RAMP CONFIGURATION;

(III) I-25, VALLEY HIGHWAY PHASE 3.0, SANTA FE TO BRONCO ARCH, REPLACEMENT OF BRIDGES AND INTERCHANGES AND ROADWAY WIDENING, CONGESTION RELIEF, SAFETY, AND MOBILITY IMPROVEMENTS;

(IV) US 85, WIDENING FROM C-470 TO I-25 IN CASTLE ROCK (LOUVIERS TO MEADOWS), RECONSTRUCTION OF TWO LANE ROADWAY TO FOUR LANES WITH A DIVIDED MEDIAN AND ACCELERATION/DECELERATION LANES AND FOOT TRAIL;

(V) STATE HIGHWAY 66 CORRIDOR IMPROVEMENTS WEST, WIDENING, SAFETY, AND INTERSECTION IMPROVEMENTS;

(VI) STATE HIGHWAY 119, EXPAND CAPACITY;

(VII) I-25 NORTH, US 36 TO 120TH, IMPROVEMENTS ON I-25 BETWEEN US 36 AND 120TH. POTENTIAL IMPROVEMENTS INCLUDE AUXILIARY LANES, ADDITIONAL LANE BETWEEN 84TH AVE. AND THORNTON PARKWAY AND RECONSTRUCTION OF 88TH AVE. BRIDGE;

(VIII) I-25 NORTH, US 36 TO STATE HIGHWAY 7, TOLLED EXPRESS LANE IMPROVEMENTS, EXPAND TOLLED EXPRESS LANES FROM CURRENT PLANNED END AT E-470 TO STATE HIGHWAY 7;

(IX) I-70 WEST, WESTBOUND PEAK PERIOD SHOULDER LANE, MIRROR EASTBOUND PEAK PERIOD SHOULDER LANE FROM TWIN TUNNELS (EXIT 241) TO EMPIRE JUNCTION;

(X) I-70 WEST, FLOYD HILL, RECONSTRUCT WESTBOUND BRIDGE AT KERMIT'S AND CONSTRUCT THIRD LANE DOWN FLOYD HILL TO BRIDGE. CONSTRUCTION OF THIRD LANE TO TWIN TUNNELS, EITHER PEAK PERIOD SHOULDER LANES OR PERMANENT;

(XI) I-225, I-25 TO YOSEMITE, COMPLETE NATIONAL ENVIRONMENTAL POLICY ACT DESIGN,

REMOVING BOTTLENECK AT YOSEMITE, RAMPS, LANES, INTERCHANGES AND BRIDGE REPLACEMENT AT ULSTER;

(XII) I-270, WIDENING FROM I-76 TO I-70, RECONSTRUCTION TO IMPROVE CAPACITY, SAFETY, AND ECONOMIC COMPETITIVENESS. CAPACITY IMPROVEMENTS, REPLACEMENT OF BRIDGES, AND RECONSTRUCT CONCRETE PAVEMENT;

(XIII) US 6, WADSWORTH INTERCHANGE, RECONSTRUCT INTERCHANGE TO IMPROVE SAFETY AND RELIEVE CONGESTION;

(XIV) I-270/US 85, I-270 TO 62ND AVE. INTERCHANGE, RECONSTRUCT INTERCHANGE AT I-270 INTERSECTION AT 60TH AVE. TO IMPROVE SAFETY AND CAPACITY;

(XV) 104TH GRADE SEPARATION, CONSTRUCTION OF GRADE SEPARATED INTERCHANGE AT 10TH AND 104TH/US 85 AND RAILROAD CROSSING GRADE SEPARATION;

(XVI) 120TH GRADE SEPARATION, CONSTRUCTION OF A GRADE SEPARATED INTERCHANGE AT 120TH AND US 85/RAILROAD CROSSING GRADE SEPARATION 120TH; AND

(XVII) US 285, RICHMOND HILL TO SHAFFER'S CROSSING, WIDEN ROADWAY TO FOUR LANES WITH MEDIAN AND CONSTRUCTION OF GRADE SEPARATED INTERCHANGE AT KING'S VALLEY.

(g) IN THE CENTRAL FRONT RANGE TRANSPORTATION PLANNING REGION:

(I) STATE HIGHWAY 67, DIVIDE TO VICTOR, SHOULDER WIDENING AND SAFETY IMPROVEMENTS;

(II) STATE HIGHWAY 115, REPLACE AND WIDEN ROCK CREEK BRIDGE; AND

(III) US 285, FAIRPLAY TO RICHMOND HILL, ADDITION OF PASSING LANES AND SHOULDER IMPROVEMENTS.

(h) IN THE INTERMOUNTAIN TRANSPORTATION PLANNING REGION:

(I) I-70, GARFIELD COUNTY/NEW CASTLE INTERCHANGE UPGRADE;

(II) I-70 WEST, G SPUR ROAD (EDWARDS INTERCHANGE), PHASE 2 OF EDWARDS INTERCHANGE; INTERCHANGE AND INTERSECTION IMPROVEMENTS;

(III) STATE HIGHWAY 9, FRISCO NORTH, COMPLETION OF CORRIDOR INCLUDING MINIMAL WIDENING, WATER QUALITY AND DRAINAGE IMPROVEMENTS, AND TWO INTERCHANGE IMPROVEMENTS;

(IV) STATE HIGHWAY 13, RIFLE NORTH, CONSTRUCTION UPGRADES;

(V) I-70 WEST, VAIL PASS AUXILIARY LANES AND WILDLIFE OVERPASS, COMPLETE NATIONAL ENVIRONMENTAL POLICY ACT DESIGN AND PRELIMINARY ENGINEERING FOR RECOMMENDED THIRD LANE (BOTH DIRECTIONS) TO INCREASE SAFETY AND MOBILITY. INSTALL PERMANENT WATER QUALITY FEATURES, AND WIDEN ROADWAY;

(VI) I-70 WEST, EXIT 203 INTERCHANGE IMPROVEMENTS,

(VII) I-70 WEST, FRISCO TO SILVERTHORNE AUXILIARY LANE, IMPROVEMENTS AND UPGRADES; AND

(VIII) I-70 WEST, SILVERTHORNE INTERCHANGE, RECONSTRUCTION OF EXIT 205 INTERCHANGE AND RELATED IMPROVEMENTS FOR FOUR RAMPS.

(i) IN THE NORTHWEST TRANSPORTATION PLANNING REGION:

(I) US 40, KREMMLING EAST AND WEST, PHASED ADDITION OF SHOULDERS AND PASSING LANES ON 14 MILES;

(II) US 40, FRASER TO WINTER PARK, CAPACITY IMPROVEMENTS (FOUR LANE FACILITY).

(j) IN THE GRAND VALLEY TRANSPORTATION PLANNING REGION:

(I) I-70, BUSINESS LOOP, I-70B WIDENING; COMPLETE RECONSTRUCTION AND WIDENING TO MEET CURRENT GEOMETRIC DESIGN STANDARDS AND IMPROVE SAFETY, DRAINAGE AND ACCESSES ALONG THE CORRIDOR; ADD LANES IN EACH DIRECTION TO MAKE A THREE-LANE ROADWAY SECTION AND RECONSTRUCT FRONTAGE ROADS 5TH STREET TO EXIT 26 CORRIDOR, NEW CAPACITY;

(II) I-70, PALISADE TO DEBEQUE, RECONSTRUCTION WITH REALIGNMENT OF CURVES AND OTHER SAFETY IMPROVEMENTS;

(III) US 6 IMPROVEMENTS MESA COUNTY, COMPLETION OF INTERSECTION STUDIES AND PRELIMINARY ENGINEERING FOR SAFETY AND MOBILITY THROUGHOUT THE CORRIDOR; INTERSECTION, SHOULDERS, AND OTHER SAFETY AND MOBILITY IMPROVEMENTS AT SPECIFIED LOCATIONS THROUGHOUT THE CORRIDOR; AND

(IV) STATE HIGHWAY 340, SAFETY AND CAPACITY IMPROVEMENTS INCLUDING INTERSECTION IMPROVEMENTS.

(k) IN THE EASTERN TRANSPORTATION PLANNING REGION:

(I) I-70 EAST, REPLACEMENT OF ALKALI-SILICA REACTIVITY PAVEMENT AND ASSOCIATED SAFETY IMPROVEMENTS; AND

(II) US 385 SAFETY IMPROVEMENTS, INTERSECTION, SHOULDERS, AND OTHER SAFETY IMPROVEMENTS AT SPECIFIED LOCATIONS.

(l) IN THE SOUTHWEST TRANSPORTATION PLANNING REGION:

(I) US 160 MOBILITY IMPROVEMENTS, CORRIDOR IMPROVEMENTS, PASSING LANES, AND SHOULDER WIDENING AT SELECT LOCATIONS;

(II) US 160 TOWAOC, ADDITION OF PASSING LANES AND VEHICLE TURNOUTS;

(III) US 160 ELMORE'S EAST, COMPLETION OF SPECIFIED IMPROVEMENTS;

(IV) US 160 PAGOSA, RECONSTRUCTION TO CORRECT WHEEL RUTTING AND ADDITION OF PEDESTRIAN FACILITIES FOR SAFETY;

(V) US 550 SOUTH, SUNNYSIDE, MAJOR RECONSTRUCTION REQUIRING WIDENING TO A FOUR-LANE ROADWAY, INCLUDING EARTHWORK, DRAINAGE, IRRIGATION, UTILITIES, PAVING, PEDESTRIAN BRIDGE, SOUND WALL, ANIMAL CROSSINGS;

(VI) US 550 CORRIDOR SOUTH, GAP RECONSTRUCTION TO FOUR LANES, INCLUDING DRAINAGE, UTILITIES, ANIMAL CROSSINGS, AND INTERSECTION IMPROVEMENTS;

(VII) US 550/US 160 CONNECTION, COMPLETE THE CONNECTION OF US 550 TO US 160 AT THE GRANDVIEW INTERCHANGE; AND

(VIII) US 550/US 160 CONNECTION, FINALIZE PRE-CONSTRUCTION, PURCHASE REQUIRED RIGHT-OF-WAY, COMPLETE FINAL DESIGN AND PREPARE ADVERTISEMENT.

(m) IN THE SAN LUIS VALLEY TRANSPORTATION PLANNING REGION, US 50 SAFETY AND MOBILITY IMPROVEMENTS BETWEEN SALIDA AND COALDALE, ADDITION OF PASSING LANES AND VEHICLE TURNOUTS.

(n) IN THE GUNNISON VALLEY TRANSPORTATION PLANNING REGION:

(I) US 50 LITTLE BLUE CANYON, RECONSTRUCTION AND WIDENING OF EXISTING ROADWAY TEMPLATE TO MEET CURRENT GEOMETRIC DESIGN STANDARDS AND IMPROVE ROADSIDE SAFETY, DRAINAGE AND ACCESS ALONG THE CORRIDOR; ADDITION OF PASSING LANES AND MITIGATION OF GEOHAZARD LANDSLIDE WITHIN THE PROJECT LIMITS; PHASED IMPLEMENTATION;

(II) US 550 SAFETY IMPROVEMENTS, SPECIFIED STUDY TO REVIEW INTERSECTION IMPROVEMENTS. US 550 REGION 3 ONLY;

(III) US 550 UNCOMPAHGRE RIVER AND COLONA, ADDITION OF SHOULDERS BETWEEN UNCOMPAHGRE RIVER AND COLONA (BILLY CREEK); CONSTRUCTION OF DEER FENCING AND ANIMAL UNDERPASSES; AND

(IV) STATE HIGHWAY 92, SAFETY IMPROVEMENTS INCLUDING RECONSTRUCTION OF THE SURFACE, ADDITION OF 4-8' PAVED SHOULDERS ACROSS ROGERS MESA, AND OTHER SAFETY IMPROVEMENTS INCLUDING ACCESS AND INTERSECTION IMPROVEMENTS.

(o) IN THE SOUTH CENTRAL TRANSPORTATION PLANNING REGION, I-25, STATE HIGHWAY 10/STATE HIGHWAY 160, INTERCHANGE RECONSTRUCTION AT WALSENBURG.

(p) US 85 CORRIDOR IMPROVEMENTS, SAFETY, INTERSECTION AND INTERCHANGE IMPROVEMENTS.

43-4-1107. Effective Date THIS PART 11 SHALL BECOME EFFECTIVE UPON PROCLAMATION BY THE GOVERNOR AND SHALL BE SELF-EXECUTING.