



MEMORANDUM

TO: CDOT Personnel Impacted by New Legislative Changes
FROM: Andy Karsian, Office of Policy & Government Relations
DATE: May 10, 2019
SUBJECT: 2019 Regular Session of the General Assembly: Final Report - Departmental Impacts

Summary

From January to the beginning of May, the Legislature debated state policy impacting all aspects of state government. Below are the bills that impact the Department and/or your Division. This memo lists the different actions CDOT personnel must take as a result of legislation passing.

Highlighted below are the bills that impact your Division. If you want to speak about the new requirements or policy changes resulting from the legislation, we are happy to provide additional information and context to these new requirements.

If you have questions regarding this memorandum or any legislation, please contact Andy Karsian at (303) 757-9703 or andy.karsian@state.co.us.

Transportation Finance

[House Bill 19-1258](#) (*Allocate Voter-Approved Revenue for Education and Transportation*). The legislature referred a measure to the November ballot asking to keep future state revenue above the TABOR limit. If the voters approve this measure, the additional revenue will be split three ways equally to K-12 education, higher education, and transportation. The third dedicated to transportation will be distributed through the existing HUTF formula: 60% to the state, 22% to counties and 18% to municipalities. Of the portion the state receives, at least 15% must be spent on multi-modal projects and 85% on highways. The amount of future funding depends on the economy and how much tax revenue the state collects in any given year.

Impacts to CDOT: There may be future funding dedicated to CDOT if revenues rise above the annual TABOR limit, which varies each year. The amount of funding will be identified around the end of March each year when the Joint Budget Committee finalizes the state budget during the legislative session.

[Senate Bill 19-262](#) (*General Fund Transfer to the Highway User Tax Fund*). As part of the annual state budget process the legislature committed \$100 million for transportation projects statewide. The state distributes the funding through the existing HUTF formula: 60% to the state, 22% to counties and 18% to municipalities.



Impacts to CDOT: New funding can be used for projects or asset management in the coming fiscal year. Additionally, the local government funding could be used as matching funds for highway or multi-modal projects for the coming year. This funding is on top of the \$105 million from last year's funding bill, and the \$500 million that CDOT gets as the second of four payments from the SB267 funding established in 2017.

Senate Bill 19-263 (*Delay Transportation Revenue Anticipation Notes Ballot Issue to 2020*). As part of the SB18-001 compromise, legislators agreed to refer a ballot measure to the voters for \$2.3 billion in transportation bonding authority for the 2019 election. Due to the failure of Props 110 and 109, the limited state general funds to repay bond debt, and a desire to not have competing ballot measures on the 2019 ballot, this bill defers the ballot measure question until the 2020 election. It also dedicates \$50 million annually to CDOT for 21 years to help pay for other long term debt on certificates of participation from SB17-267.

Impacts to CDOT: The delay of the ballot measure ensures the Treasurer will be able to transfer the second SB 267 payment of \$500 million at the beginning of the upcoming fiscal year, instead of delaying it until after an election in November. There is an additional \$50 million from the general fund the department will be able to use for SB 267 debt payments, as well.

Project Administration

Senate Bill 19-017 (*CDOT Right of Way Acquisition Process*). This bill came through the CDOT Efficiency and Accountability committee and the Transportation Legislative Review Committee. It clarifies a Colorado Supreme Court decision and allows CDOT's Chief Engineer to approve CDOT right of way acquisitions that do not involve condemnation. The CDOT Transportation Commission still must approve all the right of way acquisitions that include condemnation.

Impacts to CDOT: The passage of this legislation creates a more efficient way for right of way engineers to report to the Chief Engineer, the Transportation Commission, and the public, right of way acquisition and disposal.

Senate Bill 19-076 (*CDOT Consulting Engineer Contracts*). As introduced, this bill required CDOT to pay consultants on a fixed bid amount rather than an hourly basis. The Senate amended the bill to ask the CDOT Efficiency and Accountability committee to study the issue over the interim and report back to the Transportation Legislative Review Committee by the end of the year with any policy recommendations.

Impacts to CDOT: The Efficiency and Accountability Committee will be a study of at least five different aspects of how CDOT utilizes consultants on construction projects, which include: fixed bid contracts for consultants, the quality assurance process, CDOT employees becoming consultants, incentives for closing out consultant contracts early, and implementation of project administration goals set with industry in 2015. The Committee will meet at least four times and report back to the legislature at the annual SAMRT hearing early in 2020.

Senate Bill 19-196 (*Colorado Quality Apprenticeship Act of 2019*). As introduced this bill took a deep dive into how the state writes contracts for vertical and horizontal construction projects. Through negotiations with stakeholders, the sponsors amended the bill to focus on requiring prevailing wage and apprenticeship participation. The amended language exempted CDOT from the new requirements since most CDOT projects include federal money and already require prevailing wages.



Impacts to CDOT: As amended the bill exempts CDOT from most requirements, however, on projects using only state funds, such as FASTER Safety projects, asset management projects or others, CDOT is required to pay prevailing wage.

Senate Bill 19-135 (State Procurement Disparity Study). CDOT will work with the Department of Personnel and Administration (DPA) to conduct a disparity study comparing contracts for minority and disabled owned business to all other contracts. DPA will report back to the legislature the outcomes of the study by December 1, 2020.

Impacts to CDOT: The department will have to work with the Department of Personnel and Administration to provide data about construction contracts and how many are awarded to minority and women owned businesses.

Winter Management

House Bill 19-1207 (Winter Conditions and Traction Control Requirements). This bill added a requirement for passenger vehicles, in addition to the already covered commercial vehicles, to have one or more of the following during winter months travelling along I-70 in the mountains:

- Tire chains,
- An alternative traction device,
- Four-wheel drive with adequate tire tread,
- All wheel drive with adequate tread and/or,
- Tires with manufacturer marking for snow/mud and adequate tread.

Additionally, relevant stakeholders will meet during the summer to discuss options for enforcement of this new requirement, and CDOT will report back to the legislature the summary and recommendations of the group.

Impacts to CDOT: The bill will tie into the current CDOT rulemaking CDOT on chain law. In addition, the bill allows CDOT more flexibility to approve alternative traction control devices for use on passenger and commercial vehicles. CDOT staff will participate in discussions with stakeholders along the mountain I-70 corridor on how to enforce tread depth and application of traction control devices during the winter months. CDOT will report to the Transportation Legislative Review Committee over the summer about the enforcement conversation.

House Bill 19-1265 (Right of Way for Snowplows in Echelon Formation). This bill created a traffic offense for vehicles passing snowplows operating in an echelon formation. The offense is \$15-\$100 and up to 3 points.

Impacts to CDOT: Further public education about the importance of snow removal safety hopefully will help reduce aggressive drivers passing CDOT plows during snow removal operations.

Hazardous Materials

Senate Bill 19-032 (Hazardous Materials Transportation Routing). The main portion of this bill directs CDOT to convene a stakeholder group to study possible safety and infrastructure changes necessary to allow trucks delivering gas to travel through the EJMT.



Impacts to CDOT: CDOT and stakeholders will meet during the summer of 2019 to discuss possibilities of infrastructure and policy changes that would make transporting hazardous materials safer either through the tunnel or over Loveland Pass. CDOT reports back to the legislature by July 1, 2021.

Aeronautics

House Bill 19-1209 (Aeronautical Reporting Requirements). This bill clarifies outdated reporting requirements for intrastate air carriers and the Colorado Aeronautics Board.

Impacts to CDOT: Prevents unnecessary enforcement by the Board and promotes more reporting efficiency for air carriers.

Emerging Industries

Senate Bill 19-239 (Study to Address Impacts of Transportation Changes). Under this bill a large group of stakeholders will convene to examine the impacts of existing and emerging technologies on transportation. The study will examine the impacts of transportation network companies (Lyft, Uber), peer to peer sharing, other car sharing, rental companies, and taxis. The working group will also discuss existing efforts to address the increase of deliveries to homes stemming from consumers ordering more online goods.

Impacts to CDOT: The working group will meet multiple times during the summer of 2019. The group reports findings and recommendations to CDOT by November 1, 2019, and CDOT reports recommendations to the legislature at the annual SMART hearing in early 2020. CDOT shall promulgate rules implementing any legislation passed resulting from the study's recommendations by October 1, 2020.

Electric Vehicles

Senate Bill 19-077 (Public Utility Implementation of an Electric Vehicle Infrastructure Program) This legislation allows a public utility to provide charging stations as a regulated or unregulated service and requires utilities to file an application for a program to support transportation electrification every 3 years starting in 2020 that may include investments or incentives, rates or programs, and customer outreach and education.

Impacts to CDOT: Ongoing collaboration with industry partners, the Public Utility Commission and the Colorado Energy Office on development of EV infrastructure.

House Bill 19-1198 (Powers and Duties of the Electric Vehicle Grant Fund) This bill provides more flexibility in how the Colorado Energy Office uses the Electric Vehicle Grant Fund by allowing funds for administration of charging station grants and offset charging station operating costs. It also requires that these funds be continuously appropriated to the Colorado Energy Office.

Impacts to CDOT: Ongoing partnership with the Colorado Energy Office on planning and implementation of additional electric vehicle infrastructure.

House Bill 19-1159 (Modifications to the Income Tax Credits for Innovative Motor Vehicles) Legislators passed this bill which updates and extends the existing income tax credits for the purchase or lease of alternative fuel vehicles to the end of 2025. It also allows ride-sharing companies to claim the full tax credit if drivers use alternative fuel vehicles under a short-term rental program.



Impact to CDOT: This tax credit results in increasing the market share of electric vehicles and will help in reaching the goal the Governor and CDOT set for the number of future zero emission vehicles statewide.

[House Bill 19-1298 \(Electric Motor Vehicle Charging Station Parking\)](#) This legislation clarifies the enforcement of allowing only electric vehicles to park at electric vehicle parking stations.

Impact to CDOT: The new legislation applies to CDOT's electric vehicle charging parking spots.

