



DATE: March 23, 2018
TO: Transportation Commissioners, Executive Director, Executive Management Team, Branch Managers, and Office Directors
FROM: Andy Karsian, Office of Policy & Government Relations
RE: Legislative Update

Overview

The Legislature passed the half way point and the pace increased this week as the economic forecast came out showing higher revenue for the state budget. It has been some years since the state had budget a budget surplus and legislators are all scrambling to identify where the money will go. The focus is on education, PERA, affordable housing, state reserves, and transportation. Politics continue, of course, as the Senate muddles through sexual harassment charges on four members now, and the Senate Minority leader stepped aside to allow the Assistant Minority Leader to manage the remaining days of the session.

Legislation

As of today, there are CDOT is tracking 28 bills for possible direct or indirect impacts on CDOT, its employees, and the state's transportation network. Below are summaries of a few bills introduced or heard this week.

Senate Bill 18-001 (Transportation Infrastructure Funding): The Senate passed SB1 on second readings this week, but still have not been able to have a final vote to send it to the House. During floor debate a strike below amendment offered by the Senate Democrats changed the bill. Instead of directing 10% of the general fund towards highway funding, now the bill transfers \$500M to CDOT and protects one year of SB267 funding (\$380M). It also begins transferring \$250M/year for twenty years to the state highway fund in 2020. This money can be used for maintenance or, if ballot measures are passed either in 2018 or 2019, the \$250 will be used to bond \$3.5B.

CDOT opposes another amendment added to the bill that hinders toll lane construction in the future. Additionally, the department is seeking to clarify that two tranches of SB267 funds be protected instead of one. Two SB267 payments protect funding uncertainty for projects on the Transportation Commission's 267 project list, especially if the voters do not approve a ballot measure in 2018.

The bill will head to the House Transportation Committee, eventually. Once through the House, if amended, it will go to a conference committee where six members from the House and Senate will try to hammer out the final compromise late in the session.

Senate Bill 18-176 (Agricultural Products Exemption from Ports of Entry): Truckers must stop at ports of entry around the state if the ports are within five miles of their hauling route. This bill exempts truckers hauling agricultural products from having to stop at these ports. While seeking to remedy a problem for agricultural haulers spending time at ports of entry during harvest, the bill's broad statewide approach creates concerns. Exempting trucks carrying agricultural products means those trucks and their cargo will not be inspected for safety or disease. Additionally, the term 'agricultural products' is not defined in the bill which could lead to a wide interpretation of what constitutes an agricultural product. Furthermore, the federal government could sanction CDOT's gas tax revenues, up to \$50M, if the state does not adequately enforce size and weight limits on haulers. SB 176 passed the Senate Agriculture committee and is headed to the Senate floor where CDOT and CSP will continue to oppose it.

