



COLORADO

Department of Transportation

Office of Policy and Government Relations

DATE: March 20, 2015
TO: Transportation Commissioners, Executive Director, Executive Management Team, Branch Managers, and Office Directors
FROM: Andy Karsian, Office of Policy & Government Relations
RE: Weekly Legislative Report – 2015 Session of the Colorado General Assembly

Overview

The big news this week was the new economic forecast for the state. While the economy has grown at a 9 percent rate, legislators only have \$49M of new funding to spend on a plethora of proposed programs and bills. The biggest factor in the limited amount of revenue is the TABOR refunds. Because state revenues exceeded personal income growth and inflation there are mandatory rebates which decrease the amount of funds the General Assembly may use for state programs, existing and new. The future of transportation funding for the state is also impacted by TABOR. Right now the TABOR refund limit is hovering between 1 and 3%, which means approximately \$100M, down from \$200M, will be deposited into the State Highway Fund, per SB09-228 in FY 15/16. If the TABOR limits rise above 3%, no SB228 funding will appear, which the latest forecast from Legislative Council shows will happen in FY 16/17. The Governor's Office of State Planning and Budgeting forecast differs, however. It projects a SB228 transfer of approximately \$100 million in both FY 16/17.

CDOT Director Shailen Bhatt, met with legislators prior to his confirmation later in the session. CDOT's Temporary License Plate bill passed out of its long journey through the Senate to the House. Contract Limit Waivers passed unanimously in the Senate Transportation Committee (see below) and the last bill repealing FASTER late fees died in House State Affairs (also below). Finally, CDOT's Louie Barela negotiated an exemption out of a JBC capital construction bill that interfered with how we manage transportation construction project financing.

Legislation

CDOT continues to track bills for possible direct or indirect impacts to its employees, or the state's transportation network. In the next few weeks legislators will negotiate a state budget and prepare to introduce a slew of late bills. Some key bill updates are below.

House Bill 15-1046 (Contract Limit Waivers for CDOT). This bill received a high level of scrutiny in the House where multiple amendments requiring additional transparency and reporting made it on the bill. CDOT's own Scott "The Contract Whisperer" McDaniel played an essential role in assuaging nervous Representatives on their concerns about the bill. It was a different story in the Senate, where Senator Ray Scott brought this bill through the Senate Transportation committee this week, resulting in no questions, unanimous votes and placement on the consent calendar.

Senate Bill 15-18 (Repeal of FASTER Late Fees). Rep. Neville's committee experience couldn't have been more different than his senator father's experience when testifying on this bill. In the House State Affairs Committee no one testified in support of the drafted bill and the sponsor faced difficult, direct questions as to the intent and fiscal impact of the proposed legislation. In the end, the bill died after CDOT, CML and Boulder County testified in opposition. This bill is the twelfth piece of legislation since FASTER to try and repeal the late fees.

If you have any questions on these or any other legislative issues please contact Andy Karsian at 303-757-9073. Weekly memos and our bill tracking chart are available online at: <http://www.coloradodot.info/about/governmentrelations/state-government-liaison>.

