



DATE: April 1, 2016
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 – 2016 Session of the Colorado General Assembly

Overview

This is the first week of debating the Long Bill. Most of CDOT's funding does not come from the General Fund, so the Long Bill does not have much impact on the department. There are specific line items for CDOT in the budget, DUI awareness programs funded through marijuana funds, for example. We also monitor Long Bill amendments and footnotes. Amendments can reduce or raise funding amounts, or defund entire programs. Footnotes are added to the bill's language, but they do not carry any weight of law and may or may not be implemented. One particularly damaging amendment to the Long Bill stated CDOT did not have the authority to build a new headquarters building. This amendment was defeated 36 to 29. CDOT is also supporting three budget bills that impact the department (see below).

There are now 606 introduced bills to date, 117 bills died and so far the Governor signed 70. As always, CDOT will continue to make sure the Department is at the table and working hard to ensure your voices are heard.

Legislation

As of today CDOT is tracking 43 bills for possible direct or indirect impacts to its employees, or the state's transportation network. Bills the Legislature heard, or introduced, this week include:

House Bill 16-1416 (State Infrastructure General Fund Transfers). HB 1416 is a JBC bill that changes the allocation method, and amount, of the SB228 transfers for the next two fiscal years. The bill removes the TABOR triggers and the economic forecasts which currently determine transfer amounts. After two fiscal years, the triggers and forecasts return. With HB 1416, CDOT will receive the \$200M expected transfers from SB 228 for this fiscal year, as well as \$158M for FY 16/17.

During the House budget debates, various amendments were offered that discarded the SB 228 process in favor of dedicating off the top sales tax revenues of 10% or 6% to transportation. Additionally, legislators offered a TRANSII amendment to the bill, however, with no funding source identified. All eight amendments offered were killed and the original bill passed second readings.

House Bill 16-1420 (Hospital Provider Fee Enterprise). This bill creates a TABOR exempt enterprise to collect fees currently in the General Fund. Exempting these fees creates room under the TABOR cap, which helps CDOT in planning for SB 228 transfers. The bill appropriates \$146M for FY 16/17 to a newly created Enterprise, similar to CDOT's Bridge Enterprise. This removes the funds from the general budget, reducing the likelihood of TABOR triggers halving or eliminating SB 228 transfers.

House Bill 16-1421 (Hospital Provider Fee Allocations). If the HB 1420 passes, this bill allocates the freed up revenue in the FY16/17 budget. Some funding will be allocated to transportation; \$50M off the top. After that transfer, local governments' severance taxes is paid back (up to \$16.2M), the school funding negative factor is reduced (up to \$40M), and higher ed gets financial aid funds (up to \$49.5M). The bill is contingent upon HB 1420 passing before any of the revenue associated with that bill could be allocated.

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>.

