2829 W. Howard Place Denver, CO 80204-2305

Statement of Basis, Authority, and Purpose

The specific authority for the Nonattainment Area Air Pollution Mitigation Enterprise (NAAPME) to establish these Rules is set forth in C.R.S. § 43-4-1303(6)(h).

The general purpose of these Rules is to set the amounts of the Air Pollution Mitigation Per Ride Fee and the Air Pollution Mitigation Retail Delivery Fee at or below maximum levels contained in C.R.S.§ § 43-4-1303(7) and (8).

Senate Bill 21-260 Sustainability of the Transportation System created new sources of dedicated funding and new state enterprises. The legislation intended to preserve, improve, and expand existing transportation infrastructure and mitigate environmental and health impacts of transportation system use. To accomplish these goals, the legislation established NAAPME, an enterprise and government-owned business within the Colorado Department of Transportation (CDOT) for the purpose of collecting fee revenue to mitigate the impacts of increased air pollution that results from increased motor vehicle use for Retail Deliveries and Prearranged Rides by Transportation Network Companies. The Legislature specifically vested NAAPME, a Type 1 transfer agency, with the authority and duty to promulgate rules to set the amounts of fees required by the legislation. NAAPME is required to impose the Air Pollution Mitigation Per Ride Fee and the Air Pollution Mitigation Retail Delivery Fee. Per statute, for the Air Pollution Mitigation Retail Delivery Fee, NAAPME can set a maximum fee of seventenths of one cent per retail delivery. NAAPME can set a maximum fee of \$0.1125 for any Carshare Ride or any Prearranged Ride in a zero emission vehicle (ZEV) and \$0.225 for any other Prearranged Ride. NAAPME proposes to set the required fees at these amounts.

After fiscal year 2022, NAAPME shall notify the Department of Revenue (DOR) of the amount of the Air Pollution Mitigation Per Ride Fee to be collected for rides requested and accepted during each state fiscal year no later than March 15 of the calendar year in which the state fiscal year begins. NAAPME shall also notify DOR of the amount of the Air Pollution Mitigation Retail Delivery Fee to be collected for Retail Deliveries of Tangible Personal Property purchased during each state fiscal year no later than March 15 of the calendar year in which the state fiscal year begins. CDOT and NAAPME will work with DOR to determine the maximum fee amounts that may be imposed, which shall be the maximum amounts for the prior state fiscal year adjusted for inflation.

