

RECEIVED

MAY 10 2008

ELEUTHERO
SECRETARY OF STATE

Final #120
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1 *Be it Enacted by the People of the State of Colorado:*

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3 Article X of the constitution of the state of Colorado is amended BY THE
4 ADDITION OF A NEW SECTION to read:

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6 **Section 22. Concerning the allocation of severance tax revenues -**

7 **Colorado transportation trust fund.** (1) BEGINNING JULY 1, 2008, OF THE TOTAL
8 GROSS RECEIPTS REALIZED FROM THE SEVERANCE TAXES IMPOSED ON MINERALS
9 AND MINERAL FUELS UNDER THE PROVISIONS OF ARTICLE 29 OF TITLE 39,
10 COLORADO REVISED STATUTES, OR ANY SUCCESSOR ARTICLE OR SECTION,
11 EXCLUDING THOSE SEVERANCE TAXES FROM OIL SHALE PRODUCTION PURSUANT
12 TO SECTION 39-29-107, COLORADO REVISED STATUTES, OR ANY SUCCESSOR
13 SECTION CONCERNING SEVERANCE TAXES FROM OIL SHALE PRODUCTION, FIFTY
14 PERCENT SHALL BE CREDITED TO THE LOCAL GOVERNMENT SEVERANCE TAX FUND
15 CREATED BY SECTION 39-29-110, COLORADO REVISED STATUTES, OR ANY
16 SUCCESSOR SECTION, OR SUCCESSOR FUND. THE REMAINING FIFTY PERCENT
17 SHALL BE CREDITED TO THE SEVERANCE TAX TRUST FUND CREATED BY SECTION
18 39-29-109, COLORADO REVISED STATUTES, OR ANY SUCCESSOR SECTION OR
19 SUCCESSOR FUND. BEGINNING JULY 1, 2008 AND IN EACH SUCCEEDING STATE
20 FISCAL YEAR, AND NOTWITHSTANDING THE FOREGOING PROVISIONS OF THIS
21 SUBSECTION, ANY MONEYS CREDITED TO THE SEVERANCE TAX TRUST FUND
22 CREATED BY SECTION 39-29-109, COLORADO REVISED STATUTES, OR ANY
23 SUCCESSOR SECTION OR SUCCESSOR FUND, SHALL NOT EXCEED THE AMOUNT
24 CREDITED TO THE SEVERANCE TAX TRUST FUND IN THE PRIOR STATE FISCAL YEAR
25 PLUS AN ANNUAL ADJUSTMENT FOR INFLATION EQUAL TO THE PERCENTAGE
26 CHANGE IN THE UNITED STATES BUREAU OF LABOR STATISTICS CONSUMER PRICE
27 INDEX FOR DENVER-BOULDER-GREELEY, ALL ITEMS, ALL CONSUMERS, OR ITS

1 SUCCESSOR INDEX, ROUNDED TO THE NEAREST LOWEST ONE THOUSAND DOLLARS,
2 OR THE AMOUNT EQUAL TO THE HIGHEST AMOUNT CREDITED TO THE SEVERANCE
3 TAX TRUST FUND IN ANY STATE FISCAL YEAR BEGINNING JULY 1, 2007,
4 WHICHEVER AMOUNT IS GREATER, AND ALL REMAINING MONEYS SHALL BE
5 CREDITED TO THE COLORADO TRANSPORTATION TRUST FUND, CREATED BY
6 SUBSECTION (2) OF THIS SECTION.

7

8 (2) THE COLORADO TRANSPORTATION TRUST FUND IS HEREBY CREATED IN
9 THE STATE TREASURY. THE GENERAL ASSEMBLY MAY APPROPRIATE REVENUE,
10 PRINCIPAL AND INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF
11 MONEYS IN THE FUND FOR THE PURPOSES ALLOWED UNDER SECTION 18 OF ARTICLE
12 X OF THIS CONSTITUTION, GIVING FIRST PRIORITY TO RELIEVING CONGESTION ON
13 THE INTERSTATE 70 CORRIDOR. ANY MONEYS CREDITED TO THE COLORADO
14 TRANSPORTATION TRUST FUND AND UNEXPENDED AT THE END OF ANY GIVEN
15 STATE FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT REVERT TO THE
16 GENERAL FUND.

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1 Proposed initiative measure 2007-2008 #120 - concerning severance tax revenues.

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4 Proponents:

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6 Joshua Penry

7 P.O. Box 1604

8 Grand Junction, Colorado 81502

9 (970) 245-3789

10

11 Frank McNulty

12 P.O. Box 630573

13 Highlands Ranch, Colorado 80163

14 (303) 638-8873

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17 Legal Counsel:

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19 John S. Zakhem

20 Ryan R. Call

21 Zakhem Atherton, LLC

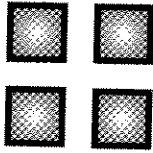
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May 9, 2008

The Honorable Mike Coffman
Colorado Secretary of State
1700 Broadway, Suite 270
Denver, Colorado 80290

Re: Proposed initiative measure 2007-2008 #120 concerning severance tax revenues and the creation of the Colorado transportation trust fund

Mr. Secretary:

On behalf of the proponents identified below, please find the final proposed language for initiative measure 2007-2008 #120 concerning severance tax revenues and the creation of the Colorado transportation trust fund, enclosed herewith as EXHIBIT A.

The review and comment hearing with Legislative Legal Services staff, held pursuant to the Colorado Constitution, Article V, Section 1(5), and Colorado Revised Statutes §§ 1-40-104 and 105, took place on Friday, May 9, 2008 at 8:00 a.m. in House Committee Room 356. A memorandum outlining the apparent purposes of the initiative measure, along with comments and questions, was prepared by Legislative Council staff and the Office of Legislative Legal Services on May 6, 2008 in advance of that hearing.

For your convenience, a copy of the initiative measure proposal as originally submitted, along with a copy of the Legislative Legal Services memorandum, has also been enclosed herewith as EXHIBIT B.

All corrections and revisions to the final proposed language for initiative measure 2007-2008 #120 were made in response to issues raised in the May 6, 2008 memorandum, and were discussed on the record in the May 9, 2008 review and comment hearing. No changes constitute substantial amendments or revisions to the petition that were not in direct response to comments, questions, or discussion with Legislative Council and the Office of Legislative Legal Services staff. As such, and pursuant to Rule 12 of Legislative Council Staff Rules, no follow-up hearing with Legislative Legal Services is required, and the proposal may proceed to the Title Board without an additional review and comment hearing.

While the proponents understand that the drafting and approval of the ballot title lies solely within the responsibility of Legislative Legal Services staff and the Title Board, the proponents will submit a proposed ballot title and submission clause to aid staff and the members of the Title Board in their efforts.

For your records, kindly note the updated contact information for the proponents of the proposed initiative measure as follows:

The Honorable Joshua Penry
P.O. Box 1604
Grand Junction, Colorado 81502
Phone: (970) 245-3789

The Honorable Frank McNulty
P.O. Box 630573
Highlands Ranch, Colorado 80163
Phone: (303) 638-8873

In addition to the two principal proponents listed above, the following individual is an additional proponent of the proposed initiative measure:

The Honorable Cory Gardner
P.O. Box 86
Yuma, Colorado 80759
Phone: (970) 848-2232

Thank you for your consideration and assistance with this important matter. We look forward to participating in the Title Board hearing on May 21, 2008.

Sincerely,

Zakhem Atherton, LLC



Ryan R. Call, Esq.
Senior Associate

enclosures: as stated

cc: Mr. Kirk Mlinek, Director
Colorado Legislative Council Staff
Mr. Charles W. Pike, Director
Office of Legislative Legal Services