

**PROPOSED INITIATIVE 2025-2026 #68 THIRD DRAFT 05/09/2025**

Initiated Statute To Authorize Bond For Just Compensation In Refinery Purchase Act

*Be it Enacted by the People of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, **add** Article 44 to Title 40 as follows:

ARTICLE 44

JUST COMPENSATION FOR REFINERY PURCHASE ACT

**40-44-101. Short Title.** The short title of this act is “Just Compensation For Refinery Purchase Act.”

**40-44-102. Legislative Declaration.** (1) The People of the State of Colorado find and declare that:

(a) The owner and operator of the Commerce City refineries has over 58 environmental and safety violations since 2005 culminating in excessive dumping of cyanide in Sand Creek in February 2025 and, thus, losing the trust of Colorado citizens;

(b) The refineries historically earn hundreds of millions of dollars in profit that goes into the pockets of investors rather than Colorado citizens;

(c) The Colorado Revised Statutes include Title 40 Article 2 Part 125.5 titled “Carbon dioxide emission reductions - goal to eliminate by 2050” which mandates that qualifying retail utilities seek to achieve 100% clean energy for their customers, if technically and economically feasible;

(d) The U.S. Constitution’s Fifth Amendment, through its “takings clause”, grants the government the power of eminent domain, allowing it to seize private property for public use, but only with “just compensation” to the owner;

(e) The State of Virginia used eminent domain to acquire land which was donated to the Shenandoah National Park for public use;

(f) Without raising taxes or fees, the sale of revenue anticipation notes shall be authorized with the proceeds to be spent as just compensation for the eminent domain purchase of both Commerce City refineries as well as any legal fees, that the principal and interest on the borrowed money shall be paid out of the state budget as provided in this Article 44, that the borrowed money and the interest be excluded from the state's spending limit, and that the state's revenue limit imposed by the taxpayer's bill of rights will be raised by the same amount as the notes; and

(g) The refinery's public use includes (i) fixing leaks that affect public air, water and land which the current owner refuses to correct, (ii) compensating nearby residents affected by the leaks, (iii) paying for a 550 megawatt solar energy farm that will provide over eight hundred jobs and save Colorado citizens potentially 7% on electricity annually in support of the State's 2050 goal, and (iv) eventually replacing the refinery with a public park.

#### **40-44-103. Revenue Anticipation Notes.**

As soon as possible after the effective date of this Article 44, but no later than July 1, 2027, regardless of any related lawsuits, the State Treasurer is authorized to issue revenue anticipation notes in a maximum amount of four hundred million dollars with a maximum repayment cost of six hundred million dollars. The maximum repayment term for any notes shall be twenty years, and the certificate, trust indenture or other instrument authorizing their issuance shall provide that the state may pay the notes in full before the end of the specified payment term without penalty. These purposes can be achieved without raising taxes.

#### **40-44-104. Restricted Use of Proceeds.**

The proceeds of such revenue anticipation notes shall be managed by the State Treasurer and shall be excluded from state fiscal year spending limits. The proceeds shall be used as just compensation for the eminent domain purchase of the two Commerce City refineries based on the value of the State's Appraiser not to exceed twice the combined last purchase price of one-hundred-fifty million for the 2003 refinery purchase and forty-five million dollars for the 2005 refinery purchase for a total of three-hundred-ninety million dollars. The proceeds will also be used for any legal fees not to exceed one million dollars. The State Treasurer will create funds for the proceeds in the Department of Natural Resources and the Department of Personnel and Administration. After the purchase of the refineries and any legal fees, the State Treasurer shall transfer \$250,000 to the Department of Personnel and Administration fund for transitioning Colorado refinery employees to the State by current State employees. The State Treasurer shall transfer the remaining proceeds to the Department of Natural Resources fund for use over twenty years for projects listed in Colorado Revised Statute **40-44-108**.

**40-44-105. Required Action To Pay Off Notes.**

The State Treasurer will create funds for the income and expenses of the refineries and the future solar energy farm in the Department of Natural Resources. Without raising taxes or fees, commencing as soon as possible after the effective date of this Article 44, on or before July 1, 2027, and on or before July 1 of each year thereafter until the notes are paid in full, the Department of Natural Resources shall identify expenses in each fiscal year for the repayment cost of the notes until the notes are paid in full, preferably in three years. Any annual expenditures made by the Department of Natural Resources shall be made in accordance with current law and rulings issued by the Colorado Supreme Court.

**40-44-106. Required Action By The Department of Natural Resources.**

Without raising taxes or fees the Department of Natural Resources, which shall be responsible for the refineries and solar energy farm, shall manage all operations personnel, manage all improvements, manage all contracts, and manage the use of income and expenses to be audited by the Office of the State Auditor.

**40-44-107. Required Action By The Department of Personnel And Administration.**

Without raising taxes or fees, the Department of Personnel And Administration will manage the transition of all Colorado refinery employees to the state and from the refineries to the new solar energy farm. The transition to the state will be automatic to the Department of Natural Resources for all Colorado employees at both refineries of between 500 and 900 personnel. If non-Colorado employees are involved or refinery employees decline the transition to the state or to the solar energy farm, corresponding job openings will be created. Additional payroll costs such as healthcare and retirement costs will come out of payroll checks just like the previous employer. The employees at the refineries and the solar energy farm will have the same rights under the state personnel system as other state employees including state pension benefits starting with the first day of state employment. State refinery employees can transition to the solar energy farm without loss of pension time earned. The transferred employees will also be able to vote to move to the Colorado Workers for Innovative and New Solutions (WINS) union or stay in their current union if in one.

**40-44-108. Projects Using Profits.**

With a history of earning hundreds of millions of dollars of refinery profits each year, the income and expenses of the refineries as well as the new solar energy farm will be exempt from the limitation on fiscal year revenue and spending specified in Section 20 of Article X of the

State Constitution. Such income will be transferred by the State Treasurer to the Department of Natural Resources fund to be managed with audits by the Office of the State Auditor. The Department of Natural Resources will have the discretion to use the income from the refineries and the solar energy farm to pay for these public projects in the following preferred priority order as income allows:

- (1) Refinery operations;
- (2) Refinery repairs and improvements such as fixing all leaks and, if profits allow, converting flares to electricity;
- (3) Compensation to cover health issues or moving expenses of \$10,000 per person without proof of either health issues or moving expenses to approximately 3,500 residents who prove they live within a three mile radius of the refinery within one year prior to the November 2026 election with a driver's license or utility bill and sign a covenant not to sue the state for past or future health conditions;
- (4) A solar energy farm in Colorado similar to the Topaz Solar Farm near San Luis Obispo California which would provide over eight hundred jobs for refinery employees to transition to, approximately 550 megawatts of power, various crops annually, and one of the largest bee colonies in Colorado which means starting plans in the third year and implementing the farm in the remainder of the twenty years; and
- (5) Phasing out the refineries within twenty years and replacing them with a public park which means starting plans in the third year and implementing the phase out and replacement in the last five years.

#### **40-44-109. Effective Date**

This Article 44 shall become effective upon proclamation by the Governor and shall be self-executing.