



Regional Option for Transportation Funding

The League is supporting [HB20-1151 Expand Authority For Regional Transportation Improvements](#) in recognition of the current inability of the state to fund balanced transportation systems with a variety of modes in an appropriate mix. Multiple and alternative sources of funding should be sought.

Colorado has faced a crisis in funding critical transportation infrastructure for many years. As of 2018 CDOT "has an estimated \$9 billion in needs over the next decade, and no clear plan to fund it, thanks to years of plummeting highway revenue and legislative inaction." [The Colorado Sun Oct 18, 2018]

Gas tax revenue, the primary funding source for transportation, is trending toward zero because of inflation and because today's vehicles have greater fuel economy, meaning less gas is being purchased each year. Funding beyond the gas tax has been sought from voters. In 2018, Proposition 109 would have issued bonds to be repaid over 20 years and earmarked for 66 highway projects; it was rejected. Proposition 110 requesting a sales tax increase dedicated to transportation also failed. In 2019 Proposition CC to retain the TABOR refund for transportation and education funding was rejected.

The bill proposes authorizing Transportation Planning Organizations (TPO) to generate and control funding of identified local projects. For regions that are ready to invest, the bill gives additional tools at the regional level using the existing TPO structure of geographic regions. Currently, TPO's are involved in project planning for the state but do not have any funding authority, while Regional Transportation Authorities (RTA), formed by cities, counties and/or special districts by voters, are authorized to form taxing districts for specific projects. As always, voter approval within the district is required for any new or increased taxes.

Combinations of two or more jurisdictions within TPO's could be formed by resolutions that specify the transportation project with its boundaries and could finance, construct, operate and maintain the system in the same way that RTA's currently operate. The new entity would be managed by a board of directors, elected and appointed, and be required to provide notice, to hold public hearings, and to seek consent from the governments of affected cities and

counties. For project purposes the TPO combinations could exercise funding powers held by RTA's such as tolls, fees (motor vehicle registration with limits), sales and use taxes, visitor benefit taxes (in part), grants, gifts, and contributions.

The bill prohibits CDOT from modifying allocated funding within a TPO if a combination has obtained its own funding for projects.

It is recognized that under this new authority small and rural areas may not have the taxing resources that would allow them to benefit in the way that urban areas might.

by Ann Sutton