


COLORADO GOVERNOR SIGNS MEASURE BOOSTING TRANSPORTATION FUNDING

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Colorado has boosted funding for transportation projects, as a result of legislation signed into law by Governor John Hickenlooper.

The bill, SB1, requires specified amounts to be transferred from the state's general fund to the state highway fund, the highway users tax fund, and new multi-modal transportation options fund during FY 2018-2019 and 2019-20.

An additional USD 450m will go to Colorado Department of Transportation projects, and another USD 200m will go to transit and local projects, according to Brent E. Butzin, counsel at Kaplan Kirsch Rockwell.

“Those funds are largely spoken for on some larger non-P3 projects,” Butzin said. The growth in the P3 pipeline is tied to larger funding initiatives that will go to Colorado voters in November, 2018 or November, 2019, according to SB1.

The bill authorizes the state to submit a ballot measure in November 2019 that will seek voter approval for the state to issue transportation revenue anticipation notes (TRANS) in the amount of USD 3.5bn, with a maximum repayment cost of USD 5bn. However, Butzin points out that the 2019 ballot initiative will be canceled if other citizen and business-driven initiatives make the ballot this year.

One ballot measure, sponsored by a coalition of statewide groups, would increase the state sales tax by .62 %, and authorize up to 6bn in bonding transportation projects.

The other, the “Fix Our Damn Roads” Act, would authorize USD 3.5bn in bonds, with no new revenue source.

Backers of these measures are collecting signatures to have them included on this year's ballot, Butzin said.

The ballot measures would provide a larger pool of bonded revenues that could be allocated toward future P3s, Butzin said.

“The USD 650m infusion, while helpful, will still leave the state hard-pressed to fund large new capital projects in the short term,” Butzin said.

The bill also directs that CDOT look at how managed lanes are being used to finance highway projects, and whether these projects could have been completed without the use of managed lanes.

The bill passed the Senate on 28 March, and the House of Representatives on 8 May. The legislation was sponsored by Sen. Randy Baumgardner (R-D.18), Sen. John Cooke (R-D.13), Rep. Perry Buck (R-D.49) and Rep. Faith Winter (D-D.35.)

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