



SB 267 **Question and Answer**

What funding is provided in SB 267 for transportation construction projects?

- SB 17-267 authorizes lease-purchase agreements on state facilities totaling \$2 billion, equal amounts over four years, beginning FY '18-'19 (which begins July 1, 2018 but could occur as late as June 30, 2019).
- CDOT receives \$1.8 billion of those proceeds, with the remainder dedicated to controlled maintenance and capital projects on state buildings. At least 10% of CDOT's proceeds will be dedicated to transit projects.

What are the restrictions in SB 267 on what transportation projects are funded?

- Funding must be used on Tier 1 projects that come from the CDOT 10 year development plan.
- 25% of the funding must be spent on these projects in counties that have a population of 50,000 or less (rural).
- The money must be spent only on state highways, no local funding is included.

Approximately what percentage of the Tier I project list can be funded with SB 267 funds (given the current estimated project costs)?

- The Tier 1 projects on the Development Plan include 74 highway projects previously totaled about \$3.1 billion.
 - Includes \$2.5 billion in unmet needs and \$600 million in potential matches from toll revenue, local partners, and other CDOT programs.
- As a construction list (as opposed to a planning list) there are several necessary refinements. Some of the refinements needed in using the Development Plan as a construction list include:
 - Design Only Projects on Tier 1 list
 - Scope Uncertainty
 - Cost Estimating and Scheduling
- These list updates will result in the \$3.1 billion Tier 1 list growing significantly.
- While the final amount of the Tier 1 list is not finalized, the \$1.88B from SB267 will fund around 1/3 of Tier 1 projects and less than 10% of the total statewide needs.

How did SB 267 impact funding for transportation infrastructure maintenance?

- COPs are essentially long term loans. In order to realize \$1.88B CDOT will pay \$50M/year for 20 years over the life of the COPs. This funding will come from the asset management funding, which the department uses to maintain existing roads and bridges. SB 267 takes \$50M annually away from CDOT's maintenance budget.
- The \$50M debt payment will increase the department's \$200M annual maintenance deficit.

Can SB 267 funding be combined with transportation funding from other funding sources (federal, state, local) to construct transportation projects?

- Yes, there are opportunities to leverage this funding. The Transportation Commission will determine criteria for the future use of the funds, which could include local match requirements.

What are the roles of CDOT, the Transportation Commission, and the Statewide Transportation Advisory Committee in determining what transportation projects are funded under SB 267?

- Since the state Treasurer is not likely to issue the SB267 certificates of participation until next year, there is time for a broad planning process to identify the SB267 projects.
- The Transportation Commission and STAC will see a refined Development Plan with updated cost estimates, and seek guidance on the timing and process for selecting projects from the Development Plan to receive lease-purchase proceeds.
- CDOT will continue to work with all stakeholders and planning partners as the department moves towards finalizing a SB267 project list.
- CDOT will report annually to the General Assembly on current and future projects annually.

Can SB 267 funds be used for public transit or non-motorized transit projects?

- Yes, at least 10% of the SB267 transportation funds can be used for transit. Transit is not defined in the legislation and could include bus, rail, and other options.

Are SB 267 funds subject to the statutory allocation of HUTF funds among cities, counties, and the state?

- No, 100% of the SB267 funding is dedicated to the state's portion of the HUTF for use on only state highways. It is possible that the availability of SB267 funds may free up other existing funding for non-Tier 1 projects.