

JOINT BUDGET COMMITTEE



SUPPLEMENTAL BUDGET REQUESTS FY 2021-22

DEPARTMENT OF TRANSPORTATION

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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DEPARTMENT OF TRANSPORTATION

DEPARTMENT OVERVIEW

The Colorado Department of Transportation (CDOT) is responsible for operating and maintaining Colorado's state highway system with additional responsibilities for aviation, transit, rail, and multimodal transportation. Its duties include managing highway construction projects, implementing the state's Highway Safety Plan, repairing and maintaining roads, providing technical support to local airports regarding aviation safety, and administering aviation-fuel-tax reimbursements and discretionary grants to airports. The Department typically does not receive General Fund appropriations, but it does receive periodic transfers from the General Fund and other sources.

SUMMARY: FY 2021-22 APPROPRIATION AND RECOMMENDATION

DEPARTMENT OF TRANSPORTATION: RECOMMENDED CHANGES FOR FY 2021-22						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION						
SB 21-205 (Long Bill)	\$1,898,659,905	\$0	\$1,250,978,446	\$5,478,096	\$642,203,363	3,326.0
Other legislation	163,599,957	0	163,599,957	0	0	3.0
CURRENT FY 2021-22 APPROPRIATION:	\$2,062,259,862	\$0	\$1,414,578,403	\$5,478,096	\$642,203,363	3,329.0
RECOMMENDED CHANGES						
Current FY 2021-22 Appropriation	\$2,062,259,862	0	\$1,414,578,403	\$5,478,096	\$642,203,363	3,329.0
S1 Multimodal Transportation and Mitigation Options Fund roll-forward	0	0	0	0	0	0.0
RECOMMENDED FY 2021-22 APPROPRIATION:	\$2,062,259,862	\$0	\$1,414,578,403	\$5,478,096	\$642,203,363	3,329.0
RECOMMENDED INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2021-22 EXECUTIVE REQUEST	\$2,062,259,862	\$0	\$1,414,578,403	\$5,478,096	\$642,203,363	3,329.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

REQUEST/RECOMMENDATION DESCRIPTIONS

S1 MULTIMODAL TRANSPORTATION AND MITIGATION OPTIONS FUND ROLL-FORWARD:

The Department requests that three years of roll-forward authority be added to the FY 2021-22 appropriation from the Multimodal Transportation and Mitigation Options Fund (MMOF) provided by S.B. 21-260 (Sustainability of the Transportation System). This would allow CDOT to spend the appropriation through FY 2024-25. Previous appropriations from this fund have come with four years of roll-forward authority.

PRIORITIZED SUPPLEMENTAL REQUESTS

S1 MULTIMODAL TRANSPORTATION AND MITIGATION OPTIONS FUND ROLL-FORWARD

	REQUEST	RECOMMENDATION
TOTAL	\$0	\$0
FTE	0.0	0.0
General Fund	0	0
Cash Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request meets supplemental criteria. OSPB categorizes the request as the result of new data. Staff considers this as an oversight or technical error on Staff's part. Based on the history of appropriations from this fund, Staff should have reasonably expected the appropriation made in S.B. 21-260 to require roll-forward authority.

DEPARTMENT REQUEST: The Department requests three years of roll-forward authority for the FY 2021-22 appropriation from the Multimodal Transportation and Mitigation Options Fund (MMOF). S.B. 21-260 appropriated \$146.8 million from the MMOF in FY 2021-22, but failed to provide spending authority for later years as has historically been needed. Approval of the request will allow CDOT to expend the appropriation through the end of FY 2024-25.

STAFF RECOMMENDATION: Staff recommends that the Committee approve the request. Functionally, the roll-forward authority will be provided by amending the appropriation clause of S.B. 21-260. **Staff is asking permission to include this supplemental adjustment as part of the Department of Transportation's section of the Long Bill**, as this adjustment is the only supplemental adjustment that will be made for CDOT. This will avoid having to create a separate supplemental bill for a single change to an appropriation clause.

STAFF ANALYSIS: Since its inception, the MMOF has consisted of one-time transfers that were subsequently appropriated in other legislation over multiple years. The fund, originally known as the Multimodal Transportation Options Fund, was established by S.B. 18-001 and made subject to annual appropriation. S.B. 18-001 transferred \$74.3 million to the fund but failed to provide an appropriation. These funds were subsequently appropriated in a supplemental bill (S.B. 19-125) that included four years of roll-forward authority, or five years total for expenditure. Additional funds were transferred by S.B. 18-001 the following year and appropriated in the FY 2019-20 Long Bill with four years of roll-forward authority.

Statute requires 85 percent of the money in the MMOF to be expended for local multimodal projects and 15 percent to be used for state multimodal projects. If the request is not approved, the Department could run into difficulties encumbering the funds in Intergovernmental Agreements without having certainty of a sufficient appropriation in subsequent years.

Approximately 95 percent of CDOT's projected FY 2022-23 funding is continuously appropriated by statutory provisions and is controlled by the Transportation Commission or another CDOT board. Each construction season spans two fiscal years, and projects normally span multiple construction seasons. The fact that the MMOF is not continuously appropriated makes this fund an outlier compared to the rest of CDOT's operations, and it is reasonable for them to need roll-forward authority with an annually appropriated fund.

The transfer provided in S.B. 21-260 originated as American Rescue Plan Act funds, which must be expended or obligated by the end of calendar year 2024 with any obligated funds expended by the end of 2026. The request would give CDOT until June 30, 2025 to expend the appropriation. Staff believes that this is appropriate based on precedence and in line with federal requirements.