



COLORADO'S TRANSPORTATION SYSTEM, PLANNING, AND FUNDING

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Colorado's transportation system is primarily managed by the Colorado Department of Transportation (CDOT). Cities, counties, transit authorities, public highway authorities, and the Public Utilities Commission have limited responsibilities as well. The Transportation Commission provides direction to CDOT, a role authorized by the General Assembly in state law. This *issue brief* describes how this system is planned and maintained by state and local governments with federal, state, and local funding.

Transportation System

Colorado's transportation system consists of a network of roadways, transit systems, bicycle and pedestrian routes, airports, and railroads.

Roadways. CDOT is primarily responsible for the state highway system, while counties and municipalities maintain their own network of roadways within their jurisdictions. Public highway authorities are political subdivisions that plan, design, and construct toll roads, currently E-470 and the Northwest Parkway. CDOT, the High-Performance Transportation Enterprise, and its partners manage several high-occupancy vehicle and/or toll (HOV/HOT) lanes, known as Express Lanes, in the Denver metropolitan area and on I-70.

Transit. The Regional Transportation District's bus and rail system serves the Denver metropolitan area under the direction of a 15-member elected board. Local governments may join together to create regional transportation

authorities, which are authorized under state law to collect sales and use taxes in order to operate and maintain transit systems. There are currently five authorities operating in the state: Baptist Road, Gunnison Valley, Pikes Peak, Roaring Fork, and South Platte Valley.

Bicycle and pedestrian routes. CDOT adopted its first-ever Statewide Bicycle and Pedestrian Plan in October 2012, updated in 2015. Its purpose is to establish a direction for improving biking and walking throughout Colorado.

Airports and railroads. Colorado currently has 74 public-use airports. The state's rail system includes 14 privately owned freight railroads, 2 Amtrak lines, and 8 scenic railroads.

Agencies Involved in Transportation Planning

Transportation Commission. The decision-making authority for how the majority of state transportation revenue is used rests with the Transportation Commission, which consists of 11 nonpartisan commissioners who are appointed by the Governor and confirmed by the Senate. The commission sets budgetary priorities for and gives policy direction to CDOT.

Colorado Department of Transportation. CDOT provides the strategic planning for the statewide transportation system and is tasked with promoting coordination between different modes of transportation, including transit, bicycle and pedestrian routes, aviation, and rail. CDOT is responsible for the construction and

maintenance of the state highway system. CDOT also oversees the Statewide Bridge Enterprise to replace designated bridges and the High-Performance Transportation Enterprise (HPTE) to pursue innovative means of financing transportation projects.

Planning regions. Fifteen transportation planning regions and metropolitan planning organizations identify transportation priorities within their region, which are incorporated into the Statewide Transportation Plan. One member of each planning region serves on the Statewide Transportation Advisory Committee, along with representatives from both the Ute Mountain Ute and Southern Ute Indian Tribes. The 17-member advisory committee advises CDOT on statewide transportation needs and reviews all regional transportation plans and the Statewide Transportation Plan.

Public Utilities Commission. The Public Utilities Commission regulates passenger carriers, such as taxis, shuttles, and charter buses; transportation network companies; and trains.

General Assembly. The General Assembly, through state law, creates the state transportation planning process, establishes and determines the roles and responsibilities of CDOT and the Transportation Commission; identifies revenue sources for highway construction; and determines the distribution of state funding to CDOT and Colorado's local governments. While the commission serves a fiduciary role by declaring and adopting transportation construction and program budgets, it does not have the authority to raise tax revenue; this power is retained by the General Assembly and the voters.

Transportation Planning

The state's transportation planning process begins with the planning regions, which each develop a plan highlighting long-term transportation investment priorities in the region. Federal regulations require the state to develop a Statewide Transportation Improvement Program, which is a four-year planning document for state transportation projects, approved by the

Transportation Commission and updated annually. The Statewide Transportation Plan is a 20-year plan, updated every five years, that outlines funding sources, system needs, and CDOT's strategic plan. In addition to these three planning documents, CDOT's recently created Development Program identifies major investment needs and establishes ten-year priorities. Projects at each level of planning must be consistent with the prior plan.

Transporting Funding

Colorado's transportation system is maintained with federal, state, and local government funding.

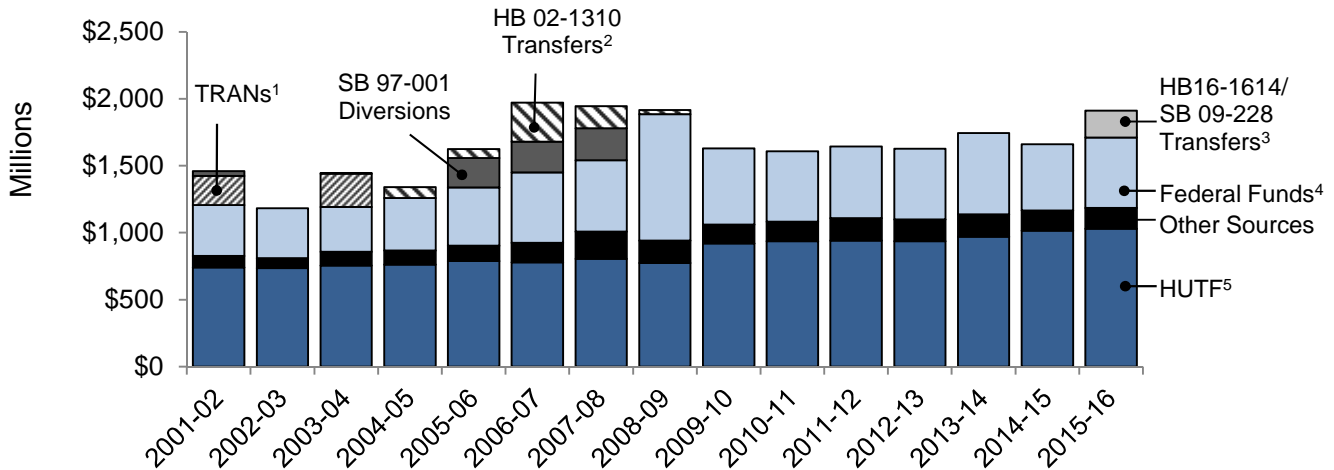
Federal funding. In FY 2015-16, Colorado received \$573.1 million from the federal Highway Trust Fund, which collects federal motor fuel taxes and truck-related taxes. Highway Trust Fund disbursements are paid to states based on formulas in federal law.

State funding. The state's Highway Users Tax Fund is the primary source of state highway funding. Preliminary estimates of revenue to the fund totaled \$1.0 billion in FY 2015-16, primarily from state motor fuel taxes, registration fees, driver's license fees, court fines, and interest earnings. Other sources of current state transportation revenue include the aviation fuel tax which is credited to airports (\$15.2 million in FY 2015-16); highway safety fine revenue, which funds traffic signals and public safety campaigns (\$9.3 million in FY 2015-16); other registration fees (\$77.9 million in FY 2015-16); Statewide Bridge Enterprise revenue (\$107.3 million in FY 2015-16); HPTE revenue (\$5.6 million in FY 2016-17); and General Fund transfers (\$199.2 million in FY 2015-16).

Local funding. Local governments also provide funding for transportation systems through local tax revenue, transit fares, and federal fund matches.

Figure 1 shows a 15-year history of the major sources of funding for Colorado's transportation system.

Figure 1
Major Sources of Funding for the
Colorado Transportation System since 2001
(Dollars in Millions)



Source: Office of the State Controller and Colorado Department of Transportation

Note: Funding sources exclude revenue to regional transit authorities, local governments, and enterprises.

¹CDOT sold Transportation Revenue Anticipation Notes (TRANS) as a means of generating revenue between FY 1999-00 and FY 2003-04. All TRANS revenue has been spent. Debt service on TRANS is paid with money from the federal government and state matching funds; the final debt service payment is scheduled in FY 2016-17.

²House Bill 02-1310 transfers were repealed during the 2009 legislative session.

³House Bill 16-1416 replaced the first two years of Senate Bill 09-228 transfers with fixed dollar amounts to provide certainty in the budget process.

⁴Federal funds include \$404.2 million in American Recovery and Reinvestment Act (ARRA) funds in FY 2008-09.

⁵HUTF revenue includes additional registration fees paid pursuant to Senate Bill 09-108 (FASTER) beginning in FY 2009-10.