

Please support HB16-1067, extending the sunset on authority for a regional transportation authority to go to its voters for a property tax mill levy.

Under current statute, regional transportation authorities may ask voters for revenue to fund regional transportation from three sources: sales tax of up to 1%, a uniform property tax of up to 5 mills, and a 2% visitor benefit tax. The authority to ask voters for a property tax mill levy or an increase in such a levy now sunsets in January 2019. This bill would extend that authority to 2029.

Problem and Need

This bill is needed for several reasons:

1. It takes time and resources to reach out to stakeholders. Planning for a successful referendum can take several years and an election should not be undertaken if the economic climate isn't suitable. RTA's should not be forced to go to the voters if the timing isn't right just because the property tax authorization is due to sunset on January 1, 2019.
2. Costs of road building and repair, airline guarantees, and buses have continued to increase.
3. Capital costs for buses have especially increased, while FTA - Federal Transit Administration - matches have decreased, thus placing a larger cost burden on local government.
4. As defined by the Federal Transit Administration, transit buses have a useful life of 12 years or 600,000 miles of service. Buses must be replaced every 12 - 15 years and the price of buses is increasing by inflation each year.
5. Regional Transportation Authorities require a stable, dedicated, source of funding for capital replacement. Depending upon seating capacity (35 - 57 seats) fully-equipped transit buses that operate on natural gas, cost approximately \$550,000 to \$750,000 each.
 - The Roaring Fork Transportation Authority has approximately 90 buses in its fleet. Passage of a 1 - 2 mill property tax will help to make RFTA sustainable over the long term by enabling it to pay off debt and to pay as it goes for bus replacements and other capital investments for equipment and infrastructure. State and Federal funding is inadequate and cannot be relied upon for capital replacement.
6. HB1067 caps the maximum uniform mill levy for Regional Transportation Authorities at 5 mills.
7. RTAs must go to their voters .
8. By passing HB1067, we extend the property tax authorization now so as to eliminate uncertainty about the continuation of the authorization beyond January 2019, and to avoid a rush or a crisis to get the extension passed in 2017 or 2018. Further, this enables RTAs to fully reach out to voters long before a ballot issue is placed before the voters, rather than rushing to beat the current 2019 sunset.