

From: Godfrey, Rob
To: Soura, Christian ChristianSoura@gov.sc.gov
Mayer, Doug DougMayer@gov.sc.gov
Baker, Josh JoshBaker@gov.sc.gov
CC: Pitts, Ted TedPitts@gov.sc.gov
Date: 6/23/2013 9:31:48 PM
Subject: Re: Transportation Funding - R119, H.3360

Thank you for all of the help. I realize this is a very tough time for y'all, and we're grateful for the time and effort. Good luck the rest of the way.

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From: Soura, Christian
Sent: Sunday, June 23, 2013 09:29 PM
To: Mayer, Doug; Baker, Josh
Cc: Godfrey, Rob; Pitts, Ted
Subject: RE: Transportation Funding - R119, H.3360

I've been going back and forth with everyone today at different times on various subjects, including this one. I've attached something that I think clears up some of the points/questions. Doug - reformat/do whatever you want with this.

I think turnback's great, and it was the original purpose of this bill, but there are very few people who understand it, and nobody who will be in the room tomorrow is on that list. So I don't think I'd really talk about it. She just needs to know, if a question arises, (1) that she pushed for it two years ago, and this bill is therefore vindication, and (2) that it's what this bill originally did before it got hijacked and turned into the vehicle for the transportation package. Also, if Phil Owens is there, he deserves a little love, 'cause he followed-through.

I added some points at the end that are important for her to understand before she gets to a microphone, 'cause I think they're questions that are likely to materialize as attempted gotchas, and we have decent and legitimate answers for them.

If anyone from the press wants background on the rationale (or especially on turnback, which is more important than it seems), then I can work that in somehow tomorrow.

Big asterisk on the attached...the "\$900 million" number is a placeholder - Josh, we need to confirm what number SCDOT has been selling and just conform to that, if it's in the same territory. Josh, also - do they have an answer yet as to when this money would actually go out the door? She needs to be able to give a sense of that tomorrow, and also talk about when we'll be signing contracts and approving projects (hopefully in the reverse order...ho ho ho). I'd expect that much of this money will actually go out next summer in the 2014 building season, but they've gotta confirm that.

Thanks.

CLS

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From: Mayer, Doug
Sent: Sunday, June 23, 2013 6:34 PM
To: Soura, Christian; Baker, Josh
Cc: Godfrey, Rob; Pitts, Ted
Subject: Transportation Funding - R119, H.3360

Gents,

See below. First draft. Took the info you provided and broke it down into simpler ideas and phrases,

hopefully it still makes sense. Please review. I am most concerned about the "turnback" section, let's discuss.

Thanks.

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Transportation Funding " R119, H.3360

Topline "

- Makes an annual commitment of \$91.4 million for transportation, beginning in FY 2013-14.
- Commits a substantial investment in South Carolina's bridges and highways without raising taxes.
- Front-loads construction process by using \$50 million per year to support as much as \$500 million worth of projects immediately.

Bill summary "

Department of Transportation "Turnback"

- Increases DOT's ability to make one-way road transfers to other government entities, businesses and individuals " managing the size of South Carolina's road system helps state funds go farther.

State Infrastructure Bank

- Obligates DOT to transfer \$50 million in "non-tax" and thus bondable revenues to the State Transportation Infrastructure Bank in perpetuity - 10X bond package, \$500 million in projects in the near future.

Vehicle Sales Tax

- Obligates 50% of sales, use, and casual excise tax be diverted from the General Fund to DOT to the Non-Federal Aid State Highway Fund.
- Represents \$41 million annually to existing roads and bridges.

Non-Recurring Revenue

- Allows for up to \$50 million collected in FY 2012-13 to be used to fund road projects " after all of the surplus appropriations in the budget have been fully funded.
- Excess revenue collected in FY 2012-13 must be diverted to roads and bridges currently on the State Transportation Improvement Plan.

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