

Transportation

The adopted amendments for Transportation agencies result in an appropriation of \$793.6 million GF and \$8.5 billion NGF for the biennium. Included in the general fund adjustments is a total of \$500.0 million of one-time general fund supplements for transportation in the first year inclusive of the \$339.0 million GF appropriated but not distributed to transportation by the General Assembly in 2006.

The distribution of these general fund dollars includes: \$305.0 million to be deposited into the Transportation Partnership Opportunity Fund to leverage other funding available for public-private and design-build projects specified in language; \$65.0 million for specified Rail Enhancement Fund projects; \$60.0 million for Transit Capital Fund projects; \$50.0 million for Virginia Port Fund projects; and \$20.0 million to supplement the appropriation for the local revenue sharing program.

The adopted amendments also include an appropriation of an additional \$13.0 million NGF and 140 positions to the Department of Motor Vehicles to support infrastructure improvements and personnel increases required to meet the requirements of the federal Real ID Act.

- **Secretary of Transportation**

- *Authorize Transfer of Revenues Above Forecast from Priority Transportation Fund (PTF) to the Transportation Trust Fund (TTF).* Includes language authorizing the transfer of FY 2006 revenues in excess of the NGF transportation forecast from the PTF to the highway and transit formula shares of the TTF. Existing *Code* provisions stipulate that any excess revenues from the TTF or the Highway Maintenance and Operating Fund are to be deposited into the PTF. These funds would be used to reduce changes to the Six Year Program resulting from other revenue forecast adjustments and keep existing projects on track.

- **Department of Aviation**

- *Authorize Obligations in Excess of Appropriations.* Includes language authorizing the Department of Aviation to obligate funds in excess of the appropriation level for aviation financial assistance programs provided sufficient revenues are projected to meet all obligations. Similar language in 2005 authorized the Aviation Board to do the same for projects supported by the Commonwealth Airport Fund.
- *Measure Aviation Economic Activity and Facility Needs.* Appropriates \$375,000 NGF in the second year to fund contractual services to evaluate Virginia's aviation economic activity and facility needs. This activity is intended to help the department conduct strategic planning.

- **Department of Motor Vehicles**

- ***Fund IT Infrastructure and Personnel Costs Associated with Implementation of Real ID.*** Includes \$13.0 million NGF and 140 positions in the second year to address Virginia's compliance with the federal Real ID Act of 2005. The funds, derived from the driver's record fee that has been deposited into the general fund since 2003, will be used both for information technology infrastructure and to fund the new positions need for the required document verification standards.
- ***Increase Appropriation to Reflect December 2006 and December 2007 Salary Adjustments.*** Includes a technical adjustment of \$5.6 million NGF in the second year to reflect increased personnel costs resulting from the November 2007 pay raise for state employees and the associated impact on fringe benefit costs.
- ***Fund Salvage Vehicle Inspectors.*** Provides \$829,950 NGF and 12 positions in the second year to reflect legislatively adopted changes to the salvage and vehicle identification number inspection activities adopted by the 2006 Session of the General Assembly. The adjustment reflects an increase in fees the agency can charge to inspect these salvage vehicles to ensure the program is sufficiently staffed to provide for quick responses to industry requests for vehicle inspections.
- ***Fund Implementation of Central Decal Production.*** Provides \$127,673 NGF in the second year to fund print-on-demand license plate decals. The new equipment will add security features that are currently unavailable.
- ***Increase Funding for Motorcycle Safety Program.*** Makes a technical adjustment to provide an additional appropriation to cover the growth in the motorcycle safety training program. The legislatively adopted fee increases will enable the agency to support demand for additional training. For the second year, 715,000 NGF is included.
- ***DMV Select Agents.*** Includes language authorizing DMV to increase the base compensation for DMV Select Agents to 4.5 percent of gross collections for the first \$500,000 and 5.0 percent of all gross collections in excess of \$500,000 made by the entity during each fiscal year. This is intended to support DMV's efforts to reduce the number of transactions being undertaken at DMV Customer Service Centers in preparation for the implementation of Real ID.
- ***Uniform Carrier Registration.*** Language is included in Part 3 of the budget bill authorizing DMV to receive a Treasury Loan of up to \$2.5 million to address a temporary shortfall in federal funding as a result of the delayed enactment of the Uniform Carrier Registration system. The loan would be repaid with federal funds once they become available.

- **Department of Rail and Public Transportation**

- ***Adjust Agency Budget to Reflect Revenue Estimates and CTB Allocations.*** Adjusts the agency's NGF appropriation by \$9.3 million NGF in the first year and \$14.1 million NGF in the second year to reflect adjustments to revenue forecasts and programmatic allocations as adopted by the Commonwealth Transportation Board.
- ***Transfer Transit Capital Assistance Earmark.*** Includes language stipulating that the \$10.0 million GF appropriated to the department by the 2005 General Assembly for the Virginia Beach bus rapid transit project shall be used instead for hybrid-electric buses in Norfolk (\$6.2 million) and the remainder for the statewide capital program. The project for which these funds were dedicated originally did not go forward thus the funds remain unused and could be made available to supplement other transit capital projects across the Commonwealth.
- ***Add Funding to Washington Metropolitan Area Transit Commission.*** Increases the appropriation for Virginia's share of the operating costs of the Washington Metropolitan Area Transit Commission by \$22,700 NGF in the second year to reflect the revised budget for that agency. Maryland and the District of Columbia are the other members of the commission.
- ***Paratransit Services.*** Directs DRPT to develop a universal access system for Para-Transit riders. Currently, eligible persons have to qualify for each system. The intent is to transfer eligibility to all Virginia transit systems.
- ***Intermodal Rail Facility.*** Language directs the department to inform the General Assembly of the agency's efforts to ensure that the selection of an intermodal rail facility or facilities for the Heartland Corridor Project takes into consideration the interest of all affected parties, advances state transportation objectives, and will be both cost-effective and cost-efficient in terms of saving time in the transport of goods from the Ports of Hampton Roads to the mid-West and in keeping the Commonwealth economically competitive. Virginia has committed some \$22.0 million to the effort.
- ***Rail Improvements in the I-95 Corridor.*** Stipulates that prior to the release of any Rail Enhancement Funds to CSX for I-95 Rail Corridor Improvements, the Department and CSX must execute an operating agreement that will provide for improved and reliable passenger and freight rail operations in the corridor, including provisions for managing heat restrictions.

- **Department of Transportation**

- ***Allocation of \$500.0 million GF for Transportation.*** The adopted amendments to the budget include the dedication of \$500.0 million in one-time GF resources to specific transportation projects. This includes the \$339.0 million appropriated but

unallocated by the General Assembly in 2006 as well as an additional dedication of an additional \$161.0 million GF. The distribution of the funds is detailed below.

- **TPOF Project Allocations.** Directs \$305.0 million from the general fund to the Transportation Partnership Opportunity Fund (TPOF) to advance projects constructed under either the Public Private Transportation Act (PPTA) or as a design-build project as authorized by § 33.1-12 and § 56-556, including: The Capital Beltway HOT Lanes, the Hillsville Bypass, the I-64/264 interchange, Route 50 widening in Loudoun and Fairfax Counties, Norfolk Southern right-of-way acquisition in Virginia Beach and Route 37 Eastern bypass in Frederick County. The language does not specify what amounts would be allocated to which project.
 - **Rail Enhancement Fund.** Deposits \$65.0 million from the general fund to the Rail Enhancement Fund to complete funding for the six I-95 rail corridor improvements underway in the DC to Richmond corridor. Any remaining funds are to be used to address Phase 1 of the I-81 Rail Corridor improvements as identified by DRPT in the 2003 Corridor Marketing Study.
 - **Transit Capital Funding.** Directs \$60.0 million GF in the first year to support the purchase of transit capital equipment. Distribution of funding for rolling stock is proposed as follows: \$20.0 million for Metro, \$15.0 million for VRE, \$10.0 million for the Norfolk Light Rail project and \$15.0 million for statewide distribution for transit capital needs.
 - **Virginia Port Authority.** Directs \$50.0 million GF in the first year to be used for port-related improvements in the Hampton Roads area. Up to \$40.0 million may be used to support the Route 164 median rail relocation project and any remaining funds can be used for planning for the Craney Island eastward expansion project.
 - **Revenue Sharing Program.** Provides \$20.0 million GF in the first year to supplement the nongeneral fund appropriation for the VDOT revenue sharing program bringing the total appropriation for this program to \$35.0 million in the first year.
- *Adjust Appropriation to Reflect December 2005 Official Revenue Forecast.* Includes a technical adjustment to reflect the removal of federal NGF revenue inadvertently left in the budget as introduced last year to correctly reflect the December 2005 revenue forecast. The reduction totals \$117.8 million NGF in the first year and \$537.7 million NGF in the second year. This action does not impact any VDOT program or project allocations.
- *Adjust Appropriation to Reflect December 2006 Revenue Forecast.* Amendments adjust both the general and nongeneral fund allocations within VDOT to reflect the December 2006 revenue forecast revision. These changes include a reduction

of \$8.6 million GF in the first year and \$7.8 million GF in the second year to reflect a reduced forecast for insurance premium tax revenues. Also included is an increase in VDOT's NGF forecast totaling \$158.0 million in the second year from a combination of state and federal transportation revenues.

- ***Shift Funding Between Maintenance and Construction.*** Includes corresponding amendments that reduce the construction appropriation by \$19.3 million NGF in the second year and increase the maintenance appropriation by an identical amount. This shift reflects the calculated cost increases in maintenance activities since the VDOT budget was adopted last spring.
- ***Authorize Appropriation of Fees Associated with Traffic Impact Reviews.*** Includes language to allow the Director, Department of Planning and Budget to administratively increase VDOT's appropriation of land development review fees if supported by the anticipated collection of the associated fees. The funds are those mandated by Chapter 527 of the 2006 Acts of Assembly relating to traffic impact reviews.
- ***Authorize Re-appropriation of Prior Year Nongeneral Fund Balances.*** Authorizes the Department of Planning and Budget to increase VDOT's appropriations as they relate to prior year bond proceeds. The increased appropriation will permit utilization of prior year balances for specific construction projects for bond supported programs such as the Route 28, Route 58, and NVTD bond programs.
- ***Short Pump Area Headquarters.*** Includes a language amendment expanding the language regarding the closure and sale of the Short Pump Area Headquarters to allow VDOT to consider consolidating that facility and the potential sale thereof with the Atlee and Basie Area Headquarters and an unused parcel of property at Route 288 and Patterson Avenue in Henrico County.
- ***Portable Evacuation Monitoring Systems and Emergency Operations Staff.*** Appropriates \$461,250 NGF and one position in the second year to support the lease of portable evacuation monitoring equipment and fund one position to enhance communications between emergency operations centers.
- ***Noise Abatement Research.*** Directs the Virginia Transportation Research Council (VTRC), in conjunction with the Virginia Tech Transportation Institute, to implement a highway noise reduction experiment at the Virginia Tech Transportation Institute facilities using dense conifers as noise barriers and new reduced noise asphalt to determine the combined effectiveness in reducing roadway noise.
- ***I-73 Matching Federal Funds.*** Directs the Commonwealth Transportation Board to utilize state funds to match Federal funding available for the proposed Interstate 73 in Henry County. The federal highway authorization bill -- SAFETEA-LU --

includes a specific appropriation of \$7.6 million for this project, and requires a 20.0 percent nonfederal match.

- **Virginia Port Authority**

- *Provide Funding for Payments in Lieu of Taxes.* Appropriates \$1.0 million from the general fund in the second year to be paid to localities in which the Port Authority owns tax-exempt real estate. These appropriations are in addition to and not in lieu of the NGF Port Authority payments in lieu of taxes provided to these same jurisdictions and would be provided by the CTB to these jurisdictions as additional funding in their city-street maintenance payments pursuant to the provisions of House Bill 2785, 2007 Session of the General Assembly.
- *Amend Language to Allow Refunding of Existing Debt.* Includes language to authorize the Port Authority to refund existing outstanding debt when market conditions are such that it will result in overall cost savings.