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# VIRGINIA STATE BUDGET

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1999 Session

## Budget Bill - HB1450 (Chapter 935)

Bill Order » Office of Transportation » Item 514

Secretary of Transportation

### Item 514

First Year - FY1999

Second Year - FY2000

<b>Administrative and Support Services (71900)</b>	<b>\$392,848</b>	<b><del>\$395,781</del> \$470,781</b>
General Management and Direction (71901)	\$392,848	<del>\$395,781</del> \$470,781
Fund Sources:		
Commonwealth Transportation	\$392,848	<del>\$395,781</del> \$470,781

Authority: Title 2.1, Chapter 5.10 and § 2.1-51.10:l, Code of Virginia.

~~A. In the event that the Congress of the United States reauthorizes or extends the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) or authorizes a new transportation act prior to the next regular session of the General Assembly, the Commonwealth Transportation Board is hereby authorized to enter into contract or agreements, or take those actions necessary to cooperate with the United States Government, to secure the maximum level of federal funding for transportation programs in the Commonwealth. Included are contracts or agreements that provide for allocations of funds necessary to comply with federal law but which may differ from formulae provided in the Code of Virginia. The Chairman of the Board shall promptly report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees any such actions required which are not consistent with the Code of Virginia.~~

*1. The Commonwealth Transportation Board is hereby authorized to enter into project agreements with the United States Government to secure the maximum level of federal funding for transportation programs in the Commonwealth, including agreements that provide for the allocation of funds necessary to comply with federal law but which may differ from formulae provided in the Code of Virginia in the following areas:*

*a. Funds apportioned under federal law for the Interstate System and the National Highway System shall be treated, for state formulae matching purposes, as interstate funds, pursuant to § 33.1-23.1, Code of Virginia; except that the Commonwealth Transportation Board is authorized to transfer amounts that may be necessary to maintain allocations to the primary, secondary and urban systems as set out in § 33.1-23.1 on a consistent basis. For FY 1999, that amount is anticipated to be \$50 million and for FY 2000, that amount is anticipated to be \$40 million.*

*b. Funds apportioned under federal law for congestion mitigation and air quality improvement shall be allocated to designated projects in clean air non-attainment and maintenance areas of the Commonwealth in addition to funds allocated to these areas pursuant to § 33.1-23.1, Code of Virginia.*

*c. Funds apportioned under federal law for the Surface Transportation Program shall be distributed and administered in accordance with federal requirements, as follows:*

*d.1) Ten percent shall be set aside for a statewide enhancement program that is equal in size each year for the period FY 1999-2003, less the amounts allowed for transfer to the state primary, secondary and urban systems as*

set out in § 33.1-23.1, with grants made to projects across the state;

2) Ten percent shall be set aside for a statewide safety program that is equal in size each year for the period FY 1999-2003, with grants made to projects across the state;

3) Fifty percent shall be allocated on the basis of population, as prescribed by federal law; and

4) Thirty percent shall be allocated pursuant to § 33.1-23.1 of the Code of Virginia.

e. Funds apportioned under federal law for the Minimum Guarantee Equity program and the Bridge Replacement and Rehabilitation program shall be allocated as required by federal law and through the state allocation formula set out in § 33.1-23.1, except for those Minimum Guarantee funds allocated to eligible projects at the discretion of the Commonwealth Transportation Board. After each action to allocate funds under this provision, the Commonwealth Transportation Board shall submit to the House Appropriations and Senate Finance Committees a list of such approved discretionary projects and the rationale for such approval. The amount of discretionary minimum guarantee federal funds is anticipated to be \$34.8 million in FY 1999 and \$34.9 million in FY 2000.

f. Funds allocated pursuant to § 33.1-23.1 B 2 and B 3, Code of Virginia, may be utilized on any project eligible under Title 23, United States Code, Section 133, upon request of the local governing body and approval of the Commonwealth Transportation Board.

g. The required matching funds for the Congressionally-designated High Priority projects are to be provided by the mode, system or recipient of the federal-aid funding.

h. Federal funds provided to the National Highway System, Surface Transportation Program, Minimum Guarantee Program and Congestion Mitigation and Air Quality categories as well as the required State matching funds may be allocated by the Commonwealth Transportation Board for transit purposes under the same rules and conditions authorized by federal law.

2. The Commonwealth Transportation Board is hereby directed to continue its efforts to secure additional federal transportation funding from the TEA-21 discretionary and transit programs and through the annual federal appropriations processes to further the Commonwealth's transportation objectives.

3. The provisions of this paragraph expire June 30, 2000.

B. The Secretaries of Transportation and Health and Human Resources shall review ~~existing data and~~ information pertaining to the adequacy of public transportation services to meet the needs throughout Virginia of the elderly, the disabled and other citizens for whom basic transportation is a serious challenge. The Secretaries also shall consult with organizations with special knowledge of this issue, review efforts by organizations to coordinate and cooperate in the delivery of transportation services, consider models used in other states to provide special transportation services, and evaluate state reimbursement rates for their adequacy. *The Secretaries shall submit a work plan by July 1, 1999, to the Chairmen of the House Appropriations and Senate Finance Committees.* The Secretaries shall provide a report by December 20, ~~1998~~ 1999, to the Chairmen of the House Appropriations and Senate Finance Committees. The report shall include specific recommendations for service expansions, changes, cooperation, coordination, and funding. *The Commonwealth Transportation Board shall provide \$75,000 in transportation revenues to fund the study.*

C. The Secretary of Transportation shall study the costs of administration and operation of the Department of Rail and Public Transportation and the administrative agreements and understandings that currently exist between the Department of Rail and Public Transportation and the Department of Transportation. The objective of the study is to determine whether additional funds are required for the Department of Rail and Public Transportation to cover all of its administrative and operating costs. A report on the study, together with recommendations, shall be made

to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 12, 1999.

D. The Secretary of Transportation shall study alternative forms of operation, lease, or ownership of short-line railroads in Virginia, and make recommendations that would foster and encourage the long-term economic self-sufficiency of such railroads.

~~E. The Secretary of Transportation is authorized to negotiate a lawful memorandum of understanding agreement with Virginia Polytechnic Institute and State University and the proponents of magnetic levitation technology that could result in a financing agreement for a magnetic levitation research demonstration project at the University. Any allocation or loan of state transportation funds by the Commonwealth Transportation Board for a demonstration project shall not exceed \$7,000,000, and shall require an equal amount of private matching funds. Any memorandum of understanding would require approval by the Board, and require that funds advanced for the demonstration project would be restored to the Commonwealth out of the proceeds of future magnetic levitation projects which utilize the demonstrated technology, in accordance with terms agreeable to the parties. The agreement would also include provisions relating to intellectual property and the terms of compensation for the sale of any technological innovations that the demonstration project may generate. For the purposes of this project, the university would be exempt from the capital appropriations process and the requirements of §§ 2.1-504.2 and 11-35, Code of Virginia. The University would make semiannual reports to the Chairmen of the House Appropriations and Senate Finance Committees on the progress of the project, including an account of how funds have been expended to date and the project's plans for the next six months. The Board would notify the Chairmen of the House Appropriations and Senate Finance Committees of the terms and conditions of any agreement at least 30 days prior to the effective date of the agreement.~~

*E. The Secretary of Transportation is authorized to negotiate a lawful memorandum of understanding agreement with proponents of magnetic levitation technology and other parties, including a local government or a local transportation authority, that could result in a financing agreement for a magnetic levitation research demonstration project which will be placed into passenger/revenue service. Any allocation or loan of state transportation funds by the Commonwealth Transportation Board for a demonstration project shall not exceed \$7,000,000, and shall require an equal amount of private matching funds. Any memorandum of understanding shall require approval by the Board, and require that funds advanced for the demonstration project shall be restored to the Commonwealth out of the proceeds of this and future magnetic levitation projects which utilize the demonstrated technology, in accordance with terms agreeable to the parties. For the purposes of this project, any public bodies which are parties to the agreement will be exempt from the capital appropriations process and the requirements of § 2.1-504.2, Code of Virginia and from state and local procurement requirements. The agreement shall provide for semiannual reports to the Chairmen of the House Appropriations and Senate Finance Committees on the progress of the project, including an account of how funds have been expended to date and the project's spending plans for the next six months. The Board will notify the Chairmen of the House Appropriations and Senate Finance Committees of the terms and conditions of any agreement at least 30 days prior to the effective date of the agreement.*

*F. Notwithstanding any other provision of state law, before the Commonwealth Transportation Board (CTB) and/or the Virginia Department of Transportation (VDOT) consider or make any change in the High Occupancy Vehicle designation on any facility in a transportation district located within a metropolitan area which includes all or a portion of a state or states contiguous to Virginia, or in another transportation district contiguous thereto, the CTB and/or VDOT shall meet with each and every affected local governing body and regional transportation agency to discuss any proposed changes. Before the CTB and/or VDOT make a final decision, they shall take into consideration the comments of the local governing bodies and agencies.*

*G. The Commonwealth Transportation Board, in consultation with pertinent localities, may allocate to local or regional public transit operators, for operating or capital purposes, state revenues designated by formula for primary highways. At the request of a locality, the board also may allocate to local or regional public transit*

*operators, for operating or capital purposes, state revenues designated by formula for urban highways and secondary roads.*

*H. The Secretary of Transportation and the Commonwealth Transportation Board shall review and make recommendations on the future viability of the Eastern Shore Railroad, including private purchase options. A report shall be submitted to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 1999.*