2010 Session

# Budget Bill - HB29 (Chapter 872)

Bill Order » Office of Transportation » Item 436

Secretary of Transportation

## Item 436 (Not set out)

| | First Year - FY2009 | Second Year - FY2010 |
|---|---|---|
| **Administrative and Support Services (79900)** | **$775,126** | **$775,126** |
| General Management and Direction (79901) | $775,126 | $775,126 |
| Fund Sources: | | |
| Commonwealth Transportation | $775,126 | $775,126 |

Authority: Title 2.2, Chapter 2, Article 10, § 2.2-201, and Titles 33, 46, and 58, Code of Virginia.

A. The transportation policy goals enumerated in this Act shall be implemented by the Secretary of Transportation, including the Secretary acting as Chairman of the Commonwealth Transportation Board.

1. The maintenance of existing transportation assets to ensure the safety of the public shall be the first priority in budgeting, allocation, and spending. The highway share of the Transportation Trust Fund shall be used for highway maintenance and operation purposes prior to its availability for new development, acquisition, and construction.

2. The efficient and cost-effective movement of people and goods will consider the needs in, and connectivity of, all modes of transportation, including bicycling, walking, public transportation, highways, freight and passenger rail, ports, and airports. The planning, development, construction, and operations of Virginia's transportation facilities will reflect this goal.

3. Stewardship of the environment will be a priority in the allocation of resources and the planning and evaluation of projects and activities by transportation agencies.

4. To the greatest extent possible, the appropriation of transportation revenues shall reflect planned spending of such revenues by agency and by program. The maximization of all federal transportation funds available to the Commonwealth shall be paramount in the budgetary, spending, and allocation processes. The Secretary is hereby authorized to take all actions necessary to ensure that federal transportation funds are allocated and utilized for the maximum benefit of the Commonwealth, whether such funds are authorized under P.L. 109-59 of the 109th Congress, or any successor or related federal transportation legislation.

B. New or increased revenues designated by the General Assembly as regional or local transportation dollars shall be used exclusively for transportation projects and services within that region or localities. The Commonwealth shall not use the revenues for any other purpose.

C.1. The Secretary shall ensure that the allocation of transportation funds apportioned and for which obligation authority is expected to be available under federal law shall be in accordance with such laws and in support of the transportation policy goals enumerated in this act. Furthermore, the Secretary is authorized to take all actions necessary to allocate the required match for federal highway funds to ensure their appropriate and timely obligation and expenditure within the fiscal constraints of state transportation revenues. By June 1 of each year, the Secretary, as Chairman of the Board, shall report to the Governor and General Assembly on the allocation of

such federal transportation funds and the actions taken to provide the required match.

2. Federal funds included in the highway funds distributed pursuant to § 33.1-23.1 B, Code of Virginia, may be distributed to the greatest extent possible to the primary system of state highways and then to the other highway systems taking into consideration the federal eligibility requirements in order to maximize the benefit of the federal funds to the Commonwealth. Such distribution will not change the total amount of funds available to be provided pursuant to § 33.1-23.1 or change the total amount of funding that would otherwise be distributed.

3. Projects funded, in whole or part, from federal funds referred to as congestion mitigation and air quality improvement, shall be selected as directed by the Board. Such funds shall be federally obligated within 24 months of their allocation by the Board and expended within 48 months of such obligation. If the requirements included in this paragraph are not met by such agency or recipient, then the Board shall use such federal funds for any other project eligible under 23 USC 149.

4. Funds apportioned under federal law for the Surface Transportation Program shall be distributed and administered in accordance with federal requirements, including that seven percent that is required to be allocated for public transportation purposes.

5. Funds apportioned under federal law for the Equity Bonus program shall be allocated as required by federal law, including that thirteen percent that is required to be allocated for public transportation purposes. Funds for contract fees paid by the Virginia Railway Express for access to the rights-of-way of CSX Transportation, Norfolk Southern Corporation, and the National Railroad Passenger Corporation shall be allocated from the public transportation's portion of federal Equity Bonus program funds.

6. Notwithstanding paragraph B of this Item, the required matching funds for enhancement projects in addition to Congressionally-designated projects included in any federal appropriation bill are to be provided by the mode, system or recipient of the federal-aid funding.

7.a. Federal funds provided to the National Highway System, Surface Transportation Program, Equity Bonus 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. The Commonwealth Transportation Board, in consultation with the appropriate local and regional entities, may allocate to local and regional public transit operators, for operating and/or capital purposes, state revenues designated by formula for primary, urban, and secondary highways.

b. Federal funds apportioned as the Highway Bridge Program shall be allocated and obligated as required by federal law to eligible projects across the Commonwealth. The Commonwealth Transportation Board shall consider the sufficiency and deficiency ratings of such eligible projects in making their allocations.

8. If a regional area (or areas) of the Commonwealth is determined to be not in compliance with Clean Air Act rules regarding conformity and as a result federal and/or state allocations, apportionments or obligations cannot be used to fund or support transportation projects or programs in that area, such funds may be used to finance demand management, conformity, and congestion mitigation projects to the extent allowed by federal law. Any remaining amount of such allocations, apportionments, or obligations shall be set aside to the extent possible under law for use in that regional area.

9. Appropriations in this act related to federal revenues outlined in this section may be adjusted by the Director, Department of Planning and Budget, upon request from the Secretary of Transportation, as needed to utilize and allocate additional federal funds that may become available.

D. The Secretary may ensure that appropriate action is taken to maintain a minimum cash balance and/or cash reserve in the Highway Maintenance and Operating fund.

E.1. The Commonwealth Transportation Board is hereby authorized to apply for, execute, and/or endorse applications submitted by private entities to obtain federal credit assistance for one or more qualifying transportation infrastructure projects or facilities to be developed pursuant to the Public-Private Transportation Act of 1995, as amended. Any such application, agreement and/or endorsement shall not financially obligate the Commonwealth or be construed to implicate the credit of the Commonwealth as security for any such federal credit assistance.

2. The Commonwealth Transportation Board is hereby authorized to pursue or otherwise apply for, and execute, an agreement to obtain financing using a federal credit instrument for project financings otherwise authorized by this Act or other Acts of Assembly.

F. Revenues generated pursuant to the provisions of § 58.1-3221.3, Code of Virginia, shall only be used to supplement, not supplant, any local funds provided for transportation programs within the localities authorized to impose the fees under the provisions of § 58.1-3221.3, Code of Virginia.

G. The Director, Department of Planning and Budget, is authorized to adjust the appropriation of transportation agencies in order to utilize proceeds from the sale of Commonwealth of Virginia Transportation Capital Projects Revenue Bonds which were authorized in the prior fiscal year but not issued, pursuant to Section 2 of Enactment Clause 2 of Chapter 896 of the 2007 General Assembly Session.

H. No more than seven days after the enactment of House Bill 1600, 2009 Session of the General Assembly, the Secretary of Transportation shall provide to the Chairmen of the House Appropriations and Transportation Committees and the Senate Finance and Transportation Committees a prioritized and comprehensive listing of transportation projects that would be ready to be advertised if funding were to become available in the federal economic stimulus package, regardless of whether or not final criteria have been released.