
VIRGINIA STATE BUDGET

2026 Special Session I

Budget Bill - HB30 (Chapter)

Bill Order » Office of Transportation » Item 438

Department of Transportation

Item 438	First Year - FY2027	Second Year - FY2028
Highway Construction Programs (60300)	\$4,164,329,117	\$3,232,129,983
Highway Construction Program Management (60315)	\$76,228,873	\$69,953,377
Virginia Highway Safety Improvement Program (60317)	\$135,604,037	\$135,050,388
Interstate Operations and Enhancement Program (60318)	\$692,784,786	\$337,200,319
State of Good Repair Program (60320)	\$424,005,389	\$415,023,455
High Priority Projects Program (60321)	\$305,454,252	\$329,346,954
Construction District Grant Programs (60322)	\$433,970,068	\$462,416,892
Specialized State and Federal Programs (60323)	\$2,006,281,712	\$1,393,138,598
Legacy Construction Formula Programs (60324)	\$90,000,000	\$90,000,000
Fund Sources:		
General	\$7,000,000	\$0
Commonwealth Transportation	\$3,390,893,589	\$2,879,003,290
Trust and Agency	\$195,014,936	\$132,212,909
Dedicated Special Revenue	\$571,420,592	\$220,913,784

Authority: Title 33.2, Chapter 3; Code of Virginia; Chapters 8, 9, and 12, Acts of Assembly of 1989, Special Session II.

A. From the appropriation for specialized state and federal programs funds shall be distributed as follows:

1. An estimated \$142,849,875 the first year and \$144,516,889 the second year in federal and state matching funds shall be allocated for regional Surface Transportation Block Grant Funds and distributed to applicable metropolitan planning organizations pursuant to 23 USC 133;
2. An estimated \$39,400,359 the first year and \$40,188,366 the second year in federal funds shall be allocated for the Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation Program pursuant to 23 USC 176;
3. An estimated \$79,886,651 the first year and \$81,325,524 the second year in federal and state matching funds shall be allocated for the Congestion Mitigation Air Quality program pursuant to 23 USC 149;
4. \$100,000,000 the first year and \$100,000,000 the second year shall be allocated for the Revenue Sharing Program

pursuant to § [33.2-357](#), Code of Virginia;

5. An estimated \$33,822,195 the first year and \$34,418,292 the second year in federal funds shall be allocated for the Surface Transportation Block Grant Program Set-Aside to 23 USC 133(h).

6. An estimated \$783,410,436 the first year and \$299,442,357 the second year in appropriation represents the estimated project participation costs from localities and regional entities.

7. An estimated \$34,771,690 in the first year and \$35,343,740 in the second year in federal and funds shall be allocated for the Carbon Reduction Program pursuant to 23 USC 175.

B. Notwithstanding § [33.2-358](#), Code of Virginia, the proceeds from the lease or sale of surplus and residue property purchased under this program in excess of related costs shall be applied to the State of Good Repair Program pursuant to § [33.2-369](#), Code of Virginia. Proceeds must be used on Federal Title 23 eligible projects.

C. The Director of the Department of Planning and Budget is authorized to increase the appropriation as needed to utilize amounts available from prior year balances in the dedicated funds and adjust items to the most recent Commonwealth Transportation Board budget.

D. Funds appropriated for legacy formula construction programs shall be used for the purposes enumerated in subsection C of § [33.2-358](#), Code of Virginia, or as previously appropriated.

E. Included in the amounts for specialized state and federal programs is the reappropriation of \$170,800,000 the first year and \$210,800,000 the second year from bond proceeds or dedicated special revenues for anticipated expenditure of amounts collected in prior years. The amounts will be provided from balances in the Capital Projects Revenue Bond Fund, Federal Transportation Grant Anticipation Revenue Bond Fund, Northern Virginia Transportation District Fund, State Route 28 Highway Improvement District Fund, U.S. Route 58 Corridor Development Fund, Interstate 81 Corridor Improvement Program, Interstate Operations and Enhancement Program, Concession Funds from the Interstate 95 Express Lanes and Interstate 66 Outside-the-Beltway Project Agreements and the Priority Transportation Fund. These amounts were originally appropriated when received or forecasted and are not related to estimated revenues of the current biennium.

F. The Director of the Department of Planning and Budget is authorized to increase the appropriation as needed to utilize amounts available from prior year balances in the Concession Payments Account to support project activities.

G. Included in the amounts for district grant programs is \$130,000,000 the first year and \$134,500,000 the second year from the regional fuels tax distributed pursuant to subsection E of § [58.1-2299.20](#).

H. In the instance where there is a reduction in the prescribed weight of any vehicle or combination of vehicles passing over any bridge, or bridges constituting a part of the interstate, primary, or secondary system of highways, in addition to posting signage in accordance with § [46.2-1104](#), Code of Virginia, the Department shall make a good faith effort to notify businesses in the surrounding area of the reduction in prescribed weight via electronic, telephone or mail as well as posting in local media in the surrounding localities. The Department shall continue to maintain an updated website, and related social media pages, and shall work with its local partners to develop an electronic communication list to facilitate seamless notification of all businesses using the route for transportation purposes in the surrounding area.

I. Notwithstanding any other provision of law, any general fund amounts allocated by the Commonwealth Transportation Board in the Six-Year Improvement Program to a transportation project that are unspent at the end of the fiscal year shall not revert to the general fund, but shall be carried over to the next fiscal year for the identified purposes.

J.1. The Commonwealth Transportation Board shall provide up to \$90,000,000, no more than \$15,000,000 in any individual year, to the Transportation Partnership Opportunity Fund established pursuant to § 33.2-1529.1, Code of Virginia, out of the revenue of the Commonwealth Transportation Fund in the Six-Year Financial Plan adopted prior to July 1, 2023 for fiscal years 2025 through 2030.

2. Notwithstanding any other provision of law, any proposed direction of funds by the Governor for transportation projects under the Transportation Partnership Opportunity Fund pursuant to § 33.2-1529.1 (C)(2) of the Code of Virginia in excess of \$10.0 million for any one project, and any cumulative direction of funds pursuant to that subdivision in excess of \$25.0 million during a biennium, shall be subject to approval by the MEI Project Approval Commission established pursuant to § 30-309, Code of Virginia. The Governor shall notify each member of the MEI Project Approval Commission and Commission staff of any proposed direction of funds requiring review. Such notification shall include a written notification of the proposed expenditures hand delivered to staff of the House Appropriations and Senate Finance and Appropriations Committees. The Commission shall complete such review within 30 business days of submission. Absent a recommendation within such 30-day period that the funds should not be directed, or in the event that the Commission does not provide a recommendation within such 30-day period, the funds shall be directed. The guidelines developed pursuant to § 33.2-1529.1(E), Code of Virginia, shall be revised to reflect the requirements of these provisions.

K. Notwithstanding the provisions of § 33.2-214, E. of the Code of Virginia, the Commonwealth Transportation Board may advance preliminary engineering and right-of-way activities prior to full funding for construction for projects in the Interstate 81 Corridor Improvement Program as adopted by the Board. The anticipated funding for the construction of the project must be planned for within the subsequent three years after the Six-Year Improvement Program. The Department of Transportation shall report to the Chairs of the House Appropriations, House Transportation, Senate Finance and Appropriations, and Senate Transportation Committees on any projects advanced in this manner.

L. Prior to the disbursement of the \$90,000,000 allocated to the U.S. Route 220 corridor from the Priority Transportation Fund by the Commonwealth Transportation Board on November 10, 2025, the Virginia Department of Transportation, in collaboration with the Secretaries of Transportation and Commerce and Trade, shall engage with stakeholders, including members of the Blue Ridge Innovation Corridor, to discuss key priorities along the U.S. Route 220 corridor. Upon completion of engagement, the Department shall recommend to the Commonwealth Transportation Board a priority project or projects to advance with such funds

M. Out of this appropriation, \$7,000,000 the first year from the general fund shall be provided for the Route 460 Phase IIA Finish Grade Project.