

Transportation

The Governor's proposed FY 2002 amendments for transportation include a reduction of \$73.6 million GF for highway construction projects in the Virginia Transportation Act of 2000 (VTA). The general fund reduction is offset by increased Federal Reimbursement Anticipation Note (FRAN) debt authorization. Several language amendments also are proposed that make significant policy changes to the VTA, including expanding the use of its funding to any transportation project.

HB/SB 29 also authorizes the Virginia Port Authority to issue tax-supported debt for \$131.0 million for port renovations at Norfolk International Terminal-South and \$15.0 million for the Aviation World's Fair project at the Newport News/Williamsburg International Airport.

Further, the Governor's proposed amendments require the Department of Transportation to fully fund the Commonwealth's commitment to the Smithsonian's National Air and Space Museum Extension near Dulles International Airport.

Amendments affecting transportation funding also are included in other parts of the Governor's proposed budget, including a 2 percent reduction in administrative programs at transportation agencies, with the \$3.2 million in savings being transferred to the general fund.

- **Virginia Transportation Act of 2000.** The VTA appropriated \$73.6 million GF in FY 2002 to specific highway construction projects that had an identified cash deficit. The Governor's proposed amendments remove this appropriation and supplant the funding with FRAN proceeds. In addition, other language amendments propose the expanded use of FRAN proceeds and the Priority Transportation Fund.
 - **Increased FRAN Authorization.** Raises the current FRAN ceiling from \$800.0 million to \$1.0 billion, with no projects specified to receive the additional \$200.0 million.
 - **Expanded Use of VTA Funding.** Removes any restrictions on the use of FRAN proceeds. Proposed language amendments allow any project listed in the Virginia Transportation Development Plan to be financed with FRAN proceeds. In addition, a language amendment allows the VTA's Priority Transportation Fund to be used for administrative costs; any project in the Transportation

Development Plan, including secondary road projects; and for highway and bridge maintenance.

- ***Other General Fund VTA Funding.*** Continues VTA appropriations of \$14.7 million for mass transit and \$1.1 million for port activities, but redirects the VTA appropriation of \$5.0 million for airports to the general fund as part of Executive Order 74 savings actions.
- ***FY 2001 VTA General Fund Balances.*** Retains \$70.0 million of FY 2001 VTA highway construction balances in the general fund while returning \$15.9 million of FY 2001 mass transit balances. Both balances were reverted to the general fund at the end of the fiscal year.
- **Department of Aviation**
 - ***Authorize Debt for the Aviation World's Fair.*** Authorizes the Virginia Aviation Board and the Department of Aviation to issue \$15.0 million in debt through the Virginia Resources Authority for the Aviation World's Fair project at the Newport News/Williamsburg International Airport. The proposed debt is to be supported by the Commonwealth Airport Fund, prior to other funding allocations to airports around the state.
- **Virginia Department of Transportation (VDOT)**
 - ***National Air and Space Museum Extension.*** Requires VDOT to fully fund the Commonwealth's commitment to the National Air and Space Museum Extension near Dulles International Airport. Proposed language states that the financing commitment may exceed the current ceiling of \$40.0 million.
- **Virginia Port Authority**
 - ***Authorize Additional Debt.*** Includes language authorizing \$131.0 million in Commonwealth Port Fund debt for the renovation of the Norfolk International Terminal (NIT) South. The debt also can be used for new equipment. Proposed language also provides that the Commonwealth Port Fund debt authorization ceiling be raised from \$200.0 million to \$250.0 million, and that the bonds will be backed by the Commonwealth Port Fund, the Transportation Trust Fund, and the general fund.