

Transportation

The FY 2002 adopted budget for transportation agencies includes a reduction of \$89.3 million GF for transportation projects identified in the Virginia Transportation Act of 2000 (VTA). The general fund reduction is offset by increased Federal Reimbursement Anticipation Note (FRAN) debt authorization. Several approved language amendments also make significant policy changes to the VTA, including expanding the use of FRANs to fund all projects included in the VTA. Previously FRAN'S were limited to projects included in the Priority Transportation Fund.

The adopted amendments also authorize the Virginia Port Authority to issue \$135.0 million of tax-supported debt for port renovations at Norfolk International Terminal-South and authorize the issuance of \$6.6 million of debt by the Virginia Aviation Board for the Aviation World's Fair project at the Newport News/Williamsburg International Airport.

Other amendments affecting transportation funding include a 3 percent reduction in administrative programs for the Secretary of Transportation, the Department of Aviation, the Department of Rail and Public Transportation, the Department of Motor Vehicles, and the Motor Vehicle Dealer Board, with the \$1.3 million in savings being transferred to the general fund.

- **Secretary of Transportation**
 - **Report on Revenues and Allocations.** Includes language requiring the Secretary of Transportation to report to the Governor, and the Chairmen of House Appropriations, House Finance and Senate Finance Committees on the most recent transportation revenue estimates and to provide a plan to adjust appropriations prior to the end of the fiscal year.
 - **PPTA Review.** Includes language requiring the Secretary to undertake a review of the guidelines and policies governing the selection of projects under the Public-Private Transportation Act of 1995 by July 1, 2002.
 - **Eliminate Authorization of Loan to DMV.** Removes language that had authorized the Secretary to loan the Department of Motor Vehicles \$2.0 million from VDOT.
- **Virginia Transportation Act of 2000.** Removes the FY 2002 appropriation of \$89.3 million that had been provided to specific construction projects

with identified cash deficits, as well as certain mass transit and port activities. The adopted amendments supplant the highway and mass transit appropriation with FRAN proceeds. In addition, other language amendments propose the expanded use of FRAN proceeds.

- **Increased FRAN Authorization.** Raises the current FRAN ceiling from \$800.0 million to \$1.2 billion.
- **Expanded Use of VTA Funding.** Allows any project listed in the Virginia Transportation Act of 2000 to be financed with FRAN proceeds.
- **Department of Aviation**
 - **Authorize Debt for the Aviation World's Fair.** Authorizes the Virginia Aviation Board and the Department of Aviation to issue \$6.6 million in debt through the Virginia Resources Authority for the Aviation World's Fair project at the Newport News/Williamsburg International Airport. Debt service is to be provided from the Commonwealth Airport Fund's discretionary funds. During the period in which debt service is being paid from discretionary funds, Newport News/Williamsburg International Airport will not be eligible for additional discretionary grants until the requests of other airports have been filled.
- **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. The language states that the financing commitment may not exceed the ceiling of \$40.0 million.
 - **Sole Source Procurement of Materials.** Includes language requiring the Department to review its list of materials approved for use in construction and maintenance projects to identify additional materials that could be added to the list, and to provide justification for sole source providers to the Secretary of Transportation.
 - **Route 28 Transportation Improvement District.** Includes language authorizing the transfer of special tax revenues collected in the State Route 28 Highway Transportation Improvement District to a third party to secure and to provide for the payment of debt service

of bonds for the proposed Route 28 Public Private Transportation Act project.

- ***Report on Logo Program.*** Includes language directing the Department to report to the House and Senate Transportation Committees on the fees assessed businesses for inclusion of logos on VDOT signs, and to present options for the use of differential fees.
- **Virginia Port Authority**
 - ***Authorize Additional Debt.*** Includes language authorizing \$135.0 million in Commonwealth Port Fund debt for the renovation of the Norfolk International Terminal (NIT) South and the purchase of new equipment. Language also increases the Commonwealth Port Fund debt authorization ceiling from \$200.0 million to \$250.0 million, and states that the bonds will be backed by the Commonwealth Port Fund, the Transportation Trust Fund, and the general fund.