



Report of the Subcommittee on
Transportation

(Senate Bills 29 and 30,
as Introduced)

Senate Finance Committee
Virginia General Assembly

February 22, 2004



SENATE OF VIRGINIA

Senate Finance Committee

2004 Report of the Transportation Subcommittee Charles R. Hawkins, Chairman

Mr. Chairman and Members of the Committee:

In last year's report, we concluded that the resources for our transportation system were stretched thin, and that the solutions were beyond our reach. Today, we offer Virginians a promise to bring our transportation systems into the 21st century.

First, we applaud the Governor's transportation policy goals to recognize road maintenance as the highest funding priority, to improve VDOT's efficiency, and to promote sound environmental stewardship.

We support the Governor's budget initiatives to reform VDOT's budget practices, to support the extension of Metro to Dulles Airport, and to expand Norfolk International Terminal.

But, it's not enough. The Transportation Subcommittee invited the Secretary of Transportation and his agency heads to speak to us about their problems to deliver services without adequate resources. We heard from members of the transportation construction industry. Contractors and their employees must deal with day in and day out uncertainty because it is nearly impossible to develop stable business plans when bid requests for new projects keep shrinking. We talked with transportation planners from Northern Virginia, Hampton Roads and the greater Richmond area. We discussed the enormous challenges their regions and localities face in moving people and goods on worn roads and rails.

We listened, and we learned. And we are proud of the SB 635 - "Virginia Investment Act."

The amendments before you include \$1.6 billion for the biennium. These monies are from the Virginia Investment Act, and provide new resources for all of Virginia's transportation systems:

- \$948.7 million for highway construction;
- \$346.9 million to pay FRAN debt service;
- \$177.2 million for mass transit;
- \$50.6 million to make our ports more competitive and productive; and
- \$28.9 million to meet the capital needs of our airports.

Mr. Chairman, this Subcommittee recognizes that the expenditure of public funds demands both accountability and performance. To that end, the amendments require VDOT and DMV to develop measurable goals of performance for next year's Session.

And to keep the public's trust, the amendments also restrict the use of all special transportation revenues for transportation purposes only.

Transportation Amendments to SB 30					
AGENCIES	NGF Recommendations			GF	Positions
	FY 2005	FY 2006	Biennium	Biennium	FY 2006
Secretary of Transportation					
SB 30, as introduced	580,390	587,652	1,168,042	0	6.00
TTF Transfers	Language	0	0	0	0.00
CMAQ funds and GRTC	Language	0	0	0	0.00
<i>Total</i>	580,390	587,652	1,168,042	0	6.00
Aviation					
SB 30, as introduced	26,365,067	26,365,067	52,730,134	88,134	31.00
Virginia Investment Act	14,090,602	14,840,838	28,931,440	0	0.00
Administrative appropriations	Language	0	0	0	0.00
Purchase of aircraft	Language	0	0	0	0.00
<i>Total</i>	40,455,669	41,205,905	81,661,574	88,134	31.00
Motor Vehicles					
SB 30, as introduced	223,888,069	223,922,869	447,810,938	0	1,994.00
Accountability and performance	Language	0	0	0	0.00
<i>Total</i>	223,888,069	223,922,869	447,810,938	0	1,994.00
Rail & Public Transportation					
SB 30, as introduced	163,391,813	260,792,782	424,184,595	0	44.00
Virginia Investment Act	86,304,938	90,900,135	177,205,073	0	0.00
Clarify additional federal funding	Language	0	0	0	0.00
Commuter Passenger Rail	Language	0	0	0	0.00
TransDominion Express	Language	0	0	0	0.00
Rail transportation planning (SB 413)	75,000	75,000	150,000	0	1.00
Express Bus Service 1	1,300,000	1,300,000	2,600,000	0	0.00
Express Bus Service 2	408,000	408,000	816,000	0	0.00
<i>Total</i>	251,479,751	353,475,917	604,955,668	0	45.00
Transportation					
SB 30, as introduced	2,848,183,373	2,969,317,753	5,817,501,126	426,880,200	10,504.00
Virginia Investment Act	462,054,330	486,655,826	948,710,156	0	0.00
VIA: Priority Trust Fund	167,839,911	179,040,289	346,880,200	(346,880,200)	0.00
Northern VA Transportation Authority	Language	0	0	0	0.00

Transportation Amendments to SB 30						
AGENCIES	NGF Recommendations			GF	Positions	
	FY 2005	FY 2006	Biennium	Biennium	FY 2006	
Route 58	Language	0	0	0	0.00	
Tolls on I-81	Language	0	0	0	0.00	
Marion residency	Language	0	0	0	0.00	
Travel Services Logo Program	Language	0	0	0	0.00	
Accountability and performance	Language	0	0	0		
<i>Total</i>		3,478,077,614	3,635,013,868	7,113,091,482	80,000,000	10,504.00
Motor Vehicle Dealer Board						
SB 30, as introduced		1,791,000	1,791,000	3,582,000	0	22.00
No amendments		0	0	0	0	0.00
<i>Total</i>		1,791,000	1,791,000	3,582,000	0	22.00
Virginia Port Authority						
SB 30, as introduced		59,793,411	65,086,206	124,879,617	0	140.00
Virginia Investment Act		24,658,554	25,971,467	50,630,021	0	0.00
<i>Total</i>		84,451,965	91,057,673	175,509,638	0	140.00
Central Appropriations						
Road impact fees	Language	0	0	0		
<i>Total</i>		0	0	0		
<i>Budget Office Technical Amendments</i>	Language	0	0	0		
Capital Outlay						
NOVA district building - contingent wording	Language	0	0	0		
SB 29						
Maersk Project & industrial road access	Language	0	0	0		
Camp 30	Language	0	0	0		
Transportation SB 30		3,323,993,123	3,547,863,329	6,871,856,452	426,968,334	12,741
Transportation - Amends		756,731,335	799,191,555	1,555,922,890	(346,880,200)	0
Transportation - Grand Total		4,080,724,458	4,347,054,884	8,427,779,342	80,088,134	12,741

Transportation

Secretary Of Transportation

Language

Language:

Page 350, after line 3, insert:

"C.1. It is the intent of the General Assembly to continue and maintain as permanent and separate the Highway Maintenance and Operating Fund and the Transportation Trust Fund (the Fund or Funds). Deposits to either Fund shall include the revenues generated annually through the motor vehicle sales and use taxes, motor vehicle registration fees, and motor vehicle fuels taxes imposed pursuant to Chapters 11 and 15 of the Acts of Assembly, 1986 Special Session, and such other nongeneral fund revenues as the General Assembly may dedicate or appropriate to the Funds. All interest, dividends, and appreciation accruing to each Fund shall be part of that Fund. Money in each Fund may be invested as authorized by law.

2. The General Assembly shall appropriate the Funds' proceeds of special or dedicated revenues only for purposes of constructing, improving, and maintaining, and regulating traffic on the roads embraced in the systems of state highways and other transportation infrastructure for the Commonwealth and its political subdivisions and furthering the interests of the Commonwealth in the areas of highways, public transportation, railways, seaports, and airports and for the operations of state agencies related to transportation and for the direct costs incurred by other state agencies to support the issuance of debt, conduct studies required by state or federal law and collect revenues for transportation projects.

Explanation:

(This amendment sets out legislative intent to restrict use of the special fund revenues deposited to the Transportation Trust Fund or the Highway Maintenance and Operating Fund for transportation and transportation-related purposes only.)

Transportation

Department Of Motor Vehicles

Language

Language:

Page 351, line 44, insert "A." before "The".

Page 351, after line 46, insert:

"B. The Auditor of Public Accounts shall conduct a follow-up status review of his November 13, 2003, report entitled "Department of Motor Vehicles Cost Analysis Special Report." The report shall specifically address the progress of the Department of Motor Vehicles' efforts to implement the cost methodology and develop effective productivity measures as recommended. In addition, the Auditor should report on the changes to the Department of Motor Vehicles budget processes to ensure that these activities include the development and monitoring of the budget, including all funding sources and overall financial policy. The Auditor shall submit his findings and any recommendations by December 1, 2004, to the Governor and the Secretary of Transportation and to the Chairmen of the House Committees on Transportation and Appropriations and to the Chairmen of the Senate Committees on Transportation and Finance.

C. The Department of Motor Vehicles shall work with the Secretary of Transportation to develop performance goals and strategies in budget amendments to be submitted for review and approval by the 2005 Session. Goals and strategies shall be based on realistic assumptions of revenues and appropriations, and shall address the major activities of the agency, including: (1) Driver Licensing; (2) Driver Monitoring; (3) Driver Reinstatement; (4) Vehicle Titling and Registration; (5) Vehicle Insurance Monitoring; (6) Dealer Licensing and Regulation; and (7) Customer Records and Information."

Explanation:

(This amendment directs the Auditor to conduct a follow-up review of the agency's efforts to implement the Auditor's recommendations from the 2003 report. The amendment also requires the agency to work with the Secretary of Transportation to support efforts promoting greater performance and accountability in state government by developing performance goals and strategies for the 2005 Session.)

Transportation Subcommittee

Item 484 #2s

Transportation

Department Of Transportation

Language

Language:

Page 356, after line 26, insert:

"G. The Commonwealth Transportation Board shall develop regulations, as well as participation criteria, for the administration of the Travel Services (Logo) Signing Program, as a traffic control function of the Department of Transportation. Such regulations shall provide that any restaurant serving prepared food and operating at least six consecutive hours between 6:00 a.m. and 12:00 midnight, at least 360 days a year, will qualify for participation in the Travel Services (Logo) Signing Program under the category of food services. For purposes of this section, "prepared food" means hot or deli style food prepared to order on site. Restaurants with such hours serving prepared food shall be permitted to display business logo on a Travel Services sign only if there is space available and at least one business logo is displayed at the same interchange in the category of food services that operates for at least twelve consecutive hours. The regulations shall further provide that once placed on a Travel Services sign, no participant shall be removed and replaced with another business solely on the basis of hours of operation, unless it is the only business on the sign under the food service category. These regulations shall be promulgated by September 30, 2004 and effective immediately."

Explanation:

(This amendment directs the CTB and VDOT to permit the Travel Services (Logo) Signing Program to accept full-service restaurants with operating hours of less than 12 consecutive hours each day to participate in the program under certain conditions. The program change is to take effect by September 30, 2004.)

Transportation Subcommittee

Item 484 #3s

Transportation

Department Of Transportation

Language

Language:

Page 356, after line 26, insert:

"G. The Auditor of Public Accounts shall conduct a follow-up status review of his July 8, 2002, report entitled "Special Review of the Cash Management and Capital Budgeting Practices" for the Department of Transportation. The Auditor shall specifically review Transportation's implementation of the cash and expenditure forecasting model, project cost estimating system and the development of the Six Year Program as a financially constrained capital budget. The Auditor shall include Transportation's progress on implementing all other recommendations within the

July 8, 2003 report. The Auditor shall report his findings to the Governor and the Secretary of Transportation and to the Chairmen of the House Committees on Transportation and Appropriations and to the Chairmen of the Senate Committees on Transportation and Finance no later than December 1, 2004.

H. The Department of Transportation shall work with the Secretary of Transportation to develop performance goals and strategies in budget amendments to be submitted for review and approval by the 2005 Session. Goals and strategies shall be based on realistic assumptions of revenues and appropriations, and shall address the major activities of the agency, including: (1) Highway System Maintenance; (2) Highway System Construction; (3) Financial Planning, Management, and Accountability; (4) Toll Facilities Operations and Management; (5) Environmental Evaluation and Planning; (6) Traffic Engineering; and (7) Transportation Research."

Explanation:

(This amendment directs the Auditor to conduct a follow-up review of the agency's efforts to implement the Auditor's recommendations from the 2002 report. The amendment also requires the agency to work with the Secretary of Transportation to support efforts promoting greater performance and accountability in state government by developing performance goals and strategies for the 2005 Session.)

Transportation Subcommittee

Item 488 #3s

Transportation

Department Of Transportation

Language

Language:

Page 357, after line 48 insert:

"C.1. The department shall adhere to the policy set by the 2002 Session of the General Assembly concerning the application of tolls or user fees on Interstate 81 in signing any comprehensive agreement pursuant to the Public-Private Transportation Act of 1995. State law prohibits the imposition of tolls or user fees on Interstate 81 on passenger cars, pickup or panel trucks, and motorcycles as such terms are defined in § 46.2-200, Code of Virginia. Unless the Federal Highway Administration exercises its authority to approve a pilot project for Interstate 81 permitting the use of tolls on passenger cars, this policy continues.

2. It is the intent of the General Assembly that the Commonwealth Transportation Board proceed with the environmental study of the Interstate 81 reconstruction project and that this study consider and incorporate the mitigating impacts of various rail options on the environment."

Explanation:

(This amendment directs the Department of Transportation to follow policy set by the General Assembly to restrict the use of tolls on Interstate 81 in any Public-Private Transportation Act project. This policy can only be overridden by action taken by the federal government. Moreover, the required environmental study will have to consider the impacts of various rail options on the project.)

Transportation Subcommittee

Item 492 #2s

Transportation

Department Of Transportation

Language

Language:

Page 358, after line 49, insert:

"C. Out of the amounts for Financial Assistance for Planning, Access Roads, and Special Projects, \$50,000 the first year and \$50,000 the second year from the Commonwealth Transportation Fund shall be provided to support the transportation planning activities of the Northern Virginia Transportation Authority. The Authority shall comply with all applicable federal and state regulations to receive the monies."

Explanation:

(This amendment provides \$100,000 from VDOT's federal funds to support transportation planning activities done by the Northern Virginia Transportation Authority.)

Transportation Subcommittee

Item 506 #6s

Central Appropriations

Central Appropriations

Language

Language:

Page 379, after line 39, insert:

“L. The provisions of Title 15.2, Chapter 22, Article 8 of the Code of Virginia shall apply to any county in Virginia with a population of greater than 250,000 as determined by the 2000 census provided that: (1) the county has designated a geographically discrete area as needing road improvements and (2) the discrete area exceeds the county’s population growth rate for the remainder of the county by at least 5.0 percent as determined by comparison of the 1990 census and the 2000 census. In addition, the conditions set out in § 15.2-2327 of the Code shall also apply if the Commonwealth ultimately reimburses the county for the actions taken.”

Explanation:

(This amendment authorizes counties to participate in the road impact fee program under certain conditions.)

Central Appropriations

Central Appropriations

Language

Language:

Page 254, after line 35, insert:

"S. Under Item 491 A. of Chapter 1042, 2003 Session, available funding up to \$200,000 in the access road program shall be used to fund the planning and initial preliminary engineering costs for the transportation improvements required as part of the construction of the New Marine Terminal in the City of Portsmouth. Any such funding spent on the improvements shall be returned to the access road program once federal authorization of the project is received."

Explanation:

(This amendment is required to ensure that work may continue on these transportation improvements while federal authorization is pending.)

Transportation Subcommittee

Item C-129 #1s

Transportation

Department Of Transportation

Language

Language:

Page 280, line 20, after "approve any such agreement." insert:

"Not later than 30 days prior to the approval of such agreement, a report describing the proposed agreement shall be submitted to the Chairmen of the Senate Finance and House Appropriations Committees."

Explanation:

(This amendment requires that a report be submitted regarding the result of negotiations between the Virginia Department of Transportation and the County of Fairfax regarding the use of certain property formerly used by the Department of Corrections to operate the Fairfax Correctional Field Unit. The report is to be submitted not later than 30 days prior to the approval of any agreement by the Governor and the Attorney General or their designees.)