



Report of the Subcommittee on
Transportation

(Amendments to SB 29
And SB 30 as Introduced)

Senate Finance Committee
Virginia General Assembly

February 19, 2006



SENATE OF VIRGINIA

Senate Finance Committee

2006 Report of the Transportation Subcommittee Charles R. Hawkins, Chairman

Mr. Chairman and Members of the Committee:

Two years ago this Committee put forth a legislative and budget initiative to give our transportation agencies the muscle they need to bring Virginia's transportation system into the 21st century.

This year we have returned with a superior initiative. Through the work done by the START Task Force, we are changing the way Virginians think about transportation. Our legislative agenda has embraced smarter land use and planning. And, our legislative agenda is advancing.

But, let no one misunderstand our intent and determination to face what has been avoided for too long. Transportation must have its own reliable and sustainable resources to solve Virginia's problems on the roads and rails. And, the action taken by the Senate last Friday proved our resolve.

The budget amendments before you begin to meaningfully address the traffic congestion in our urban areas, the economic isolation of our rural areas, and the concerns of all Virginians who see their quality of life and economic livelihoods in jeopardy. And, these amendments are not based on debt.

Here are the highlights:

- \$100.0 million of sustainable revenues to address capital and equipment needs of Virginia's rail system.

- \$206.3 million of sustainable revenues for mass transit capital.
- \$1.1 billion of sustainable revenues for Virginia's roads and bridges.

In addition, the amendments include the prudent use of one-time general fund dollars for transit needs:

- \$20.0 million for Metro Rail
- \$15.0 million for VA Railway Express (VRE)
- \$10.0 million for Statewide Bus Capital Program
- \$9.0 million for an Intermodal Facility near Petersburg
- \$1.5 million to expand (VRE) to Haymarket and Gainesville

And one-time general fund support for roads:

- \$16.0 million for Phases 1 & 2 of IDEA 66 on I-66 Westbound;
- \$15.0 million for the I-264/64 Interchange;
- \$30.0 million for grade separations & rail relocations along Route 164;
- \$36.0 million for the Coalfields Connector;
- \$45.0 million for the Hillsville Bypass on Route 58; and
- \$9.0 million for the Abingdon to Damascus portion of Route 58.

Also, \$74.8 million from the general fund is provided for FRAN debt service and another \$72.7 million will match federal earmark projects.

Mr. Chairman, fixing our transportation systems will require many hands, including the Governor and his transportation team. Much has been accomplished, but we can and will do better.

Respectfully Submitted,

The Honorable Charles R. Hawkins, Chairman

The Honorable Charles J. Colgan

The Honorable William C. Wampler, Jr.

The Honorable R. Edward Houck

The Honorable Kenneth W. Stolle

The Honorable Frederick M. Quayle

The Honorable John C. Watkins

Senate Bill 29

SA	Agency	Title	GF FY 06
Transp	DRPT	High-speed rail study	200,000

NGF
FY 06

**Transportation
Senate Bill 30**

AGENCIES	General Fund Recommendations			NGF
	FY 2007	FY 2008	Biennium	Biennium
Secretary of Transportation				
SB 30, as introduced	0	0	0	1,371,000
Maintenance of effort policy	Language			
Highway bridge program	Language			
START recommendations study	50,000	50,000	100,000	
VDOT Surplus Property	Language			
Intermodal Office	100,000	100,000	200,000	7,140,000
I-99 Feasibility Study	Language			
Warner Transportation Plan	Language			
<i>Total</i>	150,000	150,000	300,000	8,511,000
Aviation				
SB 30, as introduced	44,067	44,067	88,134	59,640,242
Aircraft lease/purchase	Language			
<i>Total</i>	44,067	44,067	88,134	59,640,242
Motor Vehicles				
SB 30, as introduced	0	0	0	526,961,365
Refund Program	Language			
Abuser Driver Program	Language			
Customer Service Centers	Language			
Real ID	Language			
<i>Total</i>	0	0	0	526,961,365
Rail & Public Transportation				
SB 30, as introduced	82,500,000	29,100,000	111,600,000	796,164,353
Remove 1/3 insurance taxes	(27,500,000)	(29,100,000)	(56,600,000)	

**Transportation
Senate Bill 30**

AGENCIES	General Fund Recommendations			NGF
	FY 2007	FY 2008	Biennium	Biennium
Warner Transportation Plan	Language			
Gainesville/Haymarket VRE	1,500,000	0	1,500,000	
Remove Gov's 2006 Transp Plan	(55,000,000)	0	(55,000,000)	
TDX project	Language			
Hampton Roads transit	Language			
Dulles Metro Project - soundwall	Language			
SB 708 - rail component				100,000,000
SB 708 - transit component				206,300,000
Metrorail one-time GF	10,000,000	10,000,000	20,000,000	
VRE rolling stock one-time GF	7,500,000	7,500,000	15,000,000	
Statewide buses one-time GF	5,000,000	5,000,000	10,000,000	
Intermodal Facility one-time GF	4,500,000	4,500,000	9,000,000	
Rail crossings study	Language			
<i>Total</i>	28,500,000	27,000,000	55,500,000	1,102,464,353
Transportation				
SB 30, as introduced	435,300,000	157,600,000	592,900,000	7,157,991,198
Traffic Impact Studies-SB699	Language			
Remove 1/3 insurance fees	(111,300,000)	(117,600,000)	(228,900,000)	
Remove Gov's 2006 Transp Plan	(284,000,000)	0	(284,000,000)	
FRAN debt service	37,400,000	37,400,000	74,800,000	
State match local bond issues	Language			
Coalfields Expressway	Language			
Privatize Rest Areas	Language			
Short Pump area headquarters	Language			
Maintenance Technical				176,722,779
Remove unallocated positions				

**Transportation
Senate Bill 30**

AGENCIES	General Fund Recommendations			NGF
	FY 2007	FY 2008	Biennium	Biennium
Urban Maintenance - Technical				39,965,937
Route 58 Corridor Program	Language			
NVA regional office	Language			
SB 708 - new construction				1,142,700,000
Taylor's Creek Road Project	300,000	0	300,000	
Warner Transportation Plan	Language			
Local Performance Measures	Language			
SAFETEA-LU earmarks	43,250,000	29,450,000	72,700,000	
SAFETEA-LU earmarks	Language			
Limited Access Roads	Language			
I-66 Westbound	8,000,000	8,000,000	16,000,000	
I-264/I-64 interchange	7,500,000	7,500,000	15,000,000	
Route 164 rail relocation	15,000,000	15,000,000	30,000,000	
Route 460 Coalfields Connector	18,000,000	18,000,000	36,000,000	
Route 58 Abingdon-Damascus	4,500,000	4,500,000	9,000,000	
Route 58 Hillsville Bypass	22,500,000	22,500,000	45,000,000	
<i>Total</i>	196,450,000	182,350,000	378,800,000	8,517,379,914
Motor Vehicle Dealer Board				
SB 30, as introduced	0	0	0	3,875,178
No amendments				
<i>Total</i>	0	0	0	3,875,178
Virginia Port Authority				
SB 30, as introduced	0	0	0	157,722,262
Craney Island Terminal	15,000,000	0	15,000,000	
<i>Total</i>	15,000,000	0	15,000,000	157,722,262

**Transportation
Senate Bill 30**

AGENCIES	General Fund Recommendations			NGF
	FY 2007	FY 2008	Biennium	Biennium
Board of Towing & Recovery Operations				
FY 2006 Legislative Appropriation	0	0	0	0
SB 134				700,000
<i>Total</i>				700,000
 TOTAL OPERATING	 -277,700,000	 22,800,000	 -254,900,000	 1,672,828,716
 Miscellaneous Provisions				
Eliminate Aviation & DRPT transfers		1,148,533	1,148,533	
Motor fuels testing	28,291	28,291	56,582	

FY 2007 Transportation Allocation

	<i>mass transit</i>	<i>construction</i>	<i>grantor tax</i>	<i>total</i>
HR	21,999,873	145,201,491	30,700,000	197,901,364
NOVA	96,501,494	115,208,879	110,808,949	322,519,322
Richmond	7,169,888	85,519,221	21,229,506	113,918,615
Bristol	138,575	73,935,474	1,881,377	75,955,426
Culpeper	660,194	42,759,611	11,179,160	54,598,964
Fredericksburg	360,492	43,679,315	14,037,009	58,076,816
Lynchburg	453,311	51,435,474	3,462,686	55,351,471
Salem	2,623,126	86,329,564	7,761,984	96,714,674
Staunton	388,599	51,435,474	9,772,755	61,596,828
	130,295,553	695,504,500	210,833,426	1,036,633,479

Amounts include one-time general fund transit and road projects for specific districts and sustainable revenues. Does not include one-time general fund dollars for statewide purposes or the \$15.0 million for the Craney Island Marine Terminal project.

Transportation

Secretary Of Transportation

Language

Language:

Page 367, after line 22, insert:

"G. The Secretary of Transportation shall initiate a study to determine the interest of affected states in the construction of a new Interstate highway (I-99) with terminus points in Wilmington, Delaware and Charleston, South Carolina, and traversing the Delmarva Peninsula, and the eastern portions of the Commonwealth of Virginia and the states of North Carolina and South Carolina. The Secretary shall report his findings by November 30, 2006, to the Chairmen of the Senate Committees on Transportation and Finance and to the Chairmen of the House Committees on Transportation and Appropriations."

Explanation:

(This amendment is self-explanatory.)

Transportation

Secretary Of Transportation

FY 06-07

\$50,000

FY 07-08

\$50,000 GF

Language:

Page 364, line 3, strike "\$685,500" and insert "\$735,500".

Page 364, line 3, strike "\$685,500" and insert "\$735,500".

"G.1. The Secretary of Transportation, with the assistance of the Secretaries of Natural Resources, and Commerce and Trade, shall review the actions recommended in January 2006 by the Statewide Transportation Analysis and Recommendation Task Force (START), and report to the 2007 Session of the General Assembly on incentives and disincentives the Commonwealth can provide to maximize the capacity of existing transportation infrastructure, improve mobility, increase accessibility, protect the environment, increase public safety on the state's road network, increase more affordable housing to provide opportunities for people to live closer to where they work, and promote economic development. The Secretary shall include in his report the incentives and disincentives that can be implemented through executive action and those incentives and disincentives that require new legislative authority.

2. To develop the report, the Secretary shall seek input from representatives of local government, local and regional planning organizations, developers, homebuilders, environmental organizations, road builders, rail, and public transit.

3. In preparing the report, the Secretary shall cooperate with the Senate Finance, Senate Transportation, House Appropriations, House Finance, and House Transportation Committees. The Committees shall make periodic inquiries on the progress and content of the report."

Explanation:

(This amendment provides \$100,000 of one-time GF support for the Secretary of Transportation to develop recommendations on the use of state incentives and disincentives to improve transportation in Virginia. The Secretary is to work in a collaborative manner with other state agencies and with affected stakeholders, including local governments, environmental groups, developers, and advocates of rail and transit. The first recommendations are to be submitted to the 2007 Session. The amendment is based on a START Task Force recommendation.)

Transportation Subcommittee

Item 427 #7s

Transportation

Secretary Of Transportation

Language

Language:

Page 364, strike lines 42 through 53.

Page 365, strike lines 1 through 3 and insert:

"B.1. 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.

2. Those localities receiving increased local revenues from actions taken by the 2006 Session of the General Assembly shall not have reductions of state funding provided for maintenance, construction or transit below the amounts provided in fiscal year 2006."

Explanation:

(This amendment is based on a START Task Force recommendation. The

language makes clear that the state cannot reduce its support to a region or locality if localities and regions increase local revenues for transportation.)

Transportation Subcommittee

Item 427 #8s

Transportation

Secretary Of Transportation

Language

Language:

Page 367, after line 22, insert:

“E.1. The Intermodal Office shall coordinate the efforts of the Departments of Transportation, and Rail and Public Transportation to work with local governments to develop specific performance measures and criteria by which to measure the success of transportation projects funded with revenues derived from §§ 58.1-802 and 58.1-802.1, Code of Virginia. Such criteria shall measure performance, including but not limited to, improvements related to safety, connectivity, economic development, improved air quality, and traffic mitigation.

2. As part of this effort, the Intermodal Office shall work with the relevant state agencies and representatives of local government to develop a standard cost/ benefit methodology to analyze projects.”

Explanation:

(This amendment requires the Intermodal Office to work with VDOT, DRPT and local governments to develop performance standards to measure the success of transportation projects in improving congestion, safety, air quality, and other variables.)

Transportation Subcommittee

Item 435 #1s

Transportation

Department Of Motor Vehicles

Language

Language:

Page 372, after line 3, insert:

“D. At the direction of the Secretary of Transportation, the Commissioner shall submit a plan to the General Assembly by December 1, 2006, to address the issues raised in *The Governor’s Task Force on the Real ID Act* issued December 29, 2005 and to implement the Task Force’s recommendations. The plan shall include

legislative proposals and executive actions necessary to carry out the Task Force recommendations, to effectively execute the federal law, and to minimize the cost to the Commonwealth and her citizens.”

Explanation:

(This amendment requires the Department to develop and implement a plan addressing the issues and recommendations included in the study conducted by DMV and released in December of 2005. The plan is to be submitted to the General Assembly.)

Transportation Subcommittee

Item 435 #3s

Transportation

Department Of Motor Vehicles

Language

Language:

Page 372, after line 3, insert:

"D.1. To implement § 58.1-2259.1 of Senate Bill 708 (2006 Session) regarding the refund of sales tax paid by individuals for nonbusiness purposes on motor fuels, the Department is hereby authorized to use outside vendors to administer the refund program at an amount up to \$15,000,000 each year.

2. The Director, Department of Planning and Budget, is hereby authorized to adjust the appropriations for the Department in accordance with the subsection above."

Explanation:

(This amendment authorizes the Commissioner of the Department of Motor Vehicles to outsource the gasoline tax refund program. The refunds only apply to the sales tax portion paid by consumers and does not include federal or state excise taxes.)

Transportation Subcommittee

Item 435 #5s

Transportation

Department Of Motor Vehicles

Language

Language:

Page 372, after line 3, insert:

"D.1. In order to implement § 46.2-206.1 D. through G. of Senate Bill 708 (2006 Session), the Commissioner may impose an administrative cost of up to eighteen percent of the revenues collected or up to \$5,100,000 the first year, whichever is less. The Commissioner is also authorized to use outside vendors, where appropriate, to assist in the administration of the abuser driver program.

2. The Director, Department of Planning and Budget, is hereby authorized to adjust the appropriations for the Department."

Explanation:

(This amendment sets a cap on the administrative costs to implement the abuser driver portion of SB 708.)

Transportation Subcommittee

Item 438 #4s

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 375, after line 13, insert:

"C. The Department shall establish a passenger rail project to assist in the alleviation of congestion on the state's Interstate and highway system of roads. This project will provide passenger rail service between the Cities of Bristol and Richmond, and Washington, D.C."

Explanation:

(This amendment is self-explanatory.)

Transportation Subcommittee

Item 438 #7s

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 375, after line 13, insert:

"C. The Department of Rail and Public Transportation shall report to the General

Assembly by December 1, 2006, on the number of rail grade separations in the metropolitan areas of Hampton Roads, Richmond, and Northern Virginia. The report shall take into consideration the impediments to safety, mobility and economic development caused by rail grade separations as measured by the number of trains and frequency of train traffic; the number of vehicles crossing these structures; and the lack of nearby rail and road alternatives. The report shall include an estimate of the costs to remove, relocate or remediate those rail grade separations that have the greatest impacts on communities, including environmental. The Department of Transportation shall assist the Department in preparing the report.”

Explanation:

(This amendment directs the Department to report to the General Assembly for the 2007 Session on the impacts of rail grade separations in Virginia's metropolitan areas. These separations are often of major concern to localities. Rail grade separations can negatively affect traffic, local economies and public safety.)

Transportation Subcommittee

Item 439 #2s

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 374, after line 35, insert:

“E.1. Out of the new revenues included in Senate Bill 708 (2006 Session) for deposit to the Commonwealth Mass Transit Fund, up to a maximum of \$10,000,000 the first year shall be made available to the Cities of Norfolk and Virginia Beach, to be shared equally between the two cities, for the acquisition of some 15.4 miles of right-of-way owned by the Norfolk Southern Corporation and located between Newtown Road and the Oceanfront.

2. The Director, Department of Planning and Budget is hereby authorized to transfer the appropriation from Item 437 of this act to carry out this purpose.”

Explanation:

(This amendment provides \$10.0 million to be divided evenly between the Cities of Norfolk and Virginia Beach. The cities will use the funds to purchase right-of-way (abandoned rail track) from Norfolk Southern. The rail connects the two localities.)

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 375, after line 35, insert:

"D. In conjunction with the construction of rail mass transit in the right of way of the Dulles Access/Toll Road Connector, a sound wall shall be constructed to replace the existing privacy fence abutting the Hallcrest Heights townhouse subdivision and the ramp connecting the Dulles Access/Toll Road Connector to Route 123 in McLean Virginia pursuant to the provisions of the Memorandum of Agreement between the Commonwealth of Virginia, Department of Transportation and the Metropolitan Washington Airports Authority signed September 28, 2005. This action is contingent upon the Authority paying for the sound wall project."

Explanation:

(This amendment is self-explanatory.)

Transportation

Department Of Transportation

Language

Language:

Page 377, after line 23, insert:

"B. Contingent upon passage of Senate Bill 699 (2006 Session), the Commissioner shall be responsible for implementing the legislation's provisions. If resources are needed in addition to the appropriations included in this act, the Commissioner shall develop and submit a budget request for the 2007 Session to the Secretary of Transportation and the Chairmen of the Senate Finance and House Appropriations Committees."

Explanation:

(This amendment assigns responsibility for carrying out the provisions of SB 699 to the VDOT Commissioner. If additional resources are needed, then the Commissioner is directed to submit a budget request for consideration by the 2007 Session.)

Transportation

Department Of Transportation

Language

Language:

Page 378, after line 47, insert:

"E. The Department shall develop a report detailing the status of the Coalfields Expressway that includes a financial plan for completing each phase of the project and for identifying the cost of each phase and the source of revenue to pay for said costs. In addition, the report shall include the schedules for each phase of the project, including any environmental impact studies required under NEPA because of changes to the Expressway's route. The Department shall submit the report by November 30, 2006, to the Secretary of Transportation and to the Chairmen of the Senate Committees on Transportation and Finance and to the Chairmen of the House Committees on Transportation and Appropriations."

Explanation:

(This amendment requires the Department of Transportation to submit a status report on the Coalfields Expressway.)

Transportation

Department Of Transportation

Language

Language:

Page 378, after line 47, insert:

"E. The department shall report to the Chairmen of the Senate Finance and House Appropriations Committees by December 1, 2006, on the feasibility of the Commonwealth matching dollars generated by local transportation referendum provided that such funds not be used for debt service and that projects included in the transportation referendum are in the Six-Year Improvement Program. The department shall base the match on one state dollar for every two local dollars."

Explanation:

(This amendment directs the Department to explore the feasibility of establishing

another matching program for localities. The intent is for VDOT to match local dollars generated by local transportation referendum. The state money cannot be used for debt service, and would have to be matched on a basis of one state dollar for every two local dollars.)

Transportation Subcommittee

Item 443 #27s

Transportation

Department Of Transportation

Language

Language:

Page 378, after line 47, insert:

“E. Under the direction of the Commonwealth Transportation Board, the department shall develop a legislative proposal for the 2007 Session of the General Assembly to establish a comprehensive limited access management program. The proposal shall include the goals of such a program and the process for developing and amending a comprehensive access management plan, including the review of requests by localities or regional authorities to alter the level of service for any transportation facility constructed under the Primary Construction Program beginning July 1, 2007.”

Explanation:

(This amendment directs the CTB and VDOT to develop a comprehensive limited access management program. This is a START Task Force recommendation dealing with concern that unlimited access causes deterioration of a new road's service level.)

Transportation Subcommittee

Item 444 #1s

Transportation

Department Of Transportation

Language

Language:

Page 379, after line 38, insert:

"E. Should federal law be changed to permit privatization of rest area operations, the Department is hereby authorized to accept or solicit proposals for their development and/or operation under the Public Private Transportation Act."

Explanation:

(This amendment authorizes VDOT to accept or solicit PPTA proposals to

develop and/or operate rest areas along the state's Interstate Highways, if Congress enacts legislation to permit such projects.)

Transportation Subcommittee

Item 447 #1s

Transportation

Department Of Transportation

Language

Language:

Page 382, after line 12, insert:

"3. The Commissioner shall report on or before July 1 of each year to the Chairmen of the Senate Finance and House Appropriations Committees on the cash balances in the Route 58 Corridor Development Fund. In addition, the report shall include the following: (i) allocations and expenditures from the Fund for the preceding fiscal year by project and district; (ii) a comparison of actual spending to allocations by projects and district; and (iii) a six-year plan for planned future expenditures from the Fund by project and district."

Explanation:

(This amendment requires VDOT to report on the status of the Route 58 Corridor Program and its Development Fund, including the Fund's cash balance, planned spending by district, actual spending by district, and planned expenditures over a six-year period.)

Transportation Subcommittee

Item 448 #1s

Transportation

Department Of Transportation

Language

Language:

Page 386, after line 2, insert:

"I. Out of the amounts for General Management and Direction, allocations shall be provided to support the capital lease agreement pursuant to Item C-319 of this act. An amount estimated at \$3,500,000 the first year and \$8,000,000 the second year shall be provided from Commonwealth Transportation Funds."

Explanation:

(This amendment authorizes the agency to make payments on the capital lease for an office building in Northern Virginia being developed jointly by the agency and

Transportation Subcommittee

Item 455.1 #2s

Transportation

	FY 06-07	FY 07-08	
Board of Towing and Recovery	\$350,000	\$350,000	NGF
Operations	3.00	3.00	FTE

Language:

Page 389, after line 32

"455.1. Towing and Recovery Operations	\$350,000	\$350,000
Fund Sources: Special	\$350,000	\$350,000."

"Contingent upon passage of Senate Bill 134 (2006 Session), the Department of Treasury shall provide a treasury loan of up to \$350,000 the first year and of up to \$350,000 the second year for the operations of the Board of Towing and Recovery Operations. Revenues received during the biennium and which are due to the Board in accordance with provisions of Senate Bill 134 shall be used to repay any treasury loans made to the Board. Any treasury loan made shall be in compliance with § 4-3.02 of this act."

Explanation:

(This amendment establishes the appropriation for the Board of Towing and Recovery Operations created under SB 134. Language authorizes the use of a treasury loan to fund the Board's operations until the Board's fee structure and fee collection processes are sufficient. It is anticipated that the Board will be self-funding before the close of the 2006-2008 biennium.)