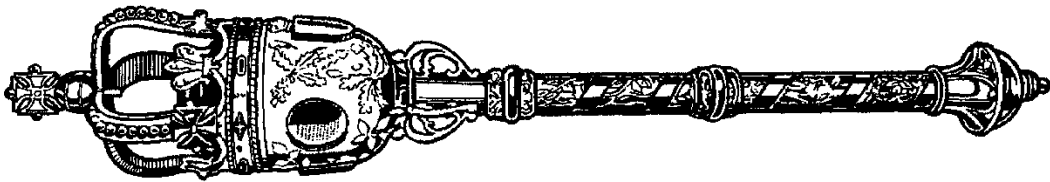


*Report of the  
House Appropriations  
Subcommittee*

*on*

*Transportation*



*House Bill 1400*

*February 8, 2015*

# REPORT OF THE SUBCOMMITTEE

on

## TRANSPORTATION

Mr. Chairman and Members of the Committee:

Two years ago the General Assembly adopted a historic infusion of funding for transportation, and then last year, adopted legislation to prioritize highway needs, making project selection more transparent. Under your leadership this year, Mr. Chairman, the House has adopted legislation taking the next necessary step by revising the allocation of highway funding across the roadway systems and across the regions of the Commonwealth.

In keeping with these non-budgetary actions in the transportation arena, the subcommittee focused its modest efforts first on applying those principles to the transit and rail modes of transportation. We recommend adopting amendments which will initiate a comprehensive review of the now decade-old Rail Enhancement Fund. Also among our proposals are amendments designed to ensure that recipients of our taxpayer's funding, specifically the Washington Metropolitan Area Transit Authority, are managing those funds wisely.

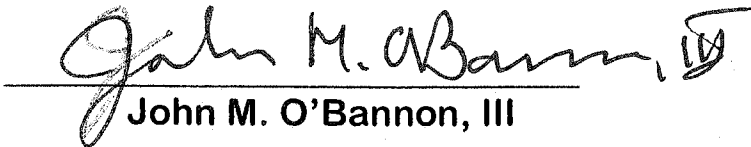
Within the area of highway funding, the subcommittee amendments seek to jump start our efforts to get funding back to the local level by directing the Department to evaluate both state and local bridges when it allocates funds, and to report to the General Assembly on how it distributes both secondary road maintenance and construction funding to the counties across the Commonwealth.

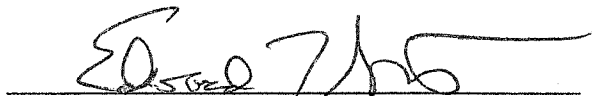
Finally Mr. Chairman, the subcommittee recommendations provide the nongeneral fund appropriations needed for the Department of Motor Vehicles to effectively implement and administer the Transportation Network Companies legislation adopted this Session.

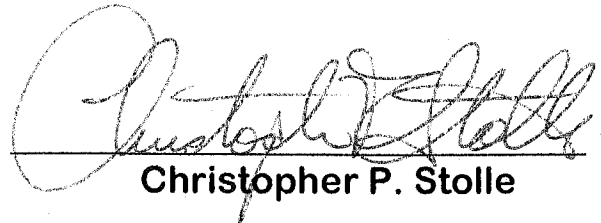
Mr. Chairman, details of our Subcommittee recommendations are attached. Committee staff will review our report and the attached listing of our recommendations in greater detail and I hope that it will be the pleasure of the Committee to adopt them.


Respectfully Submitted by the House Appropriations Subcommittee  
on Transportation:

  
Christopher K. Peace, Chairman

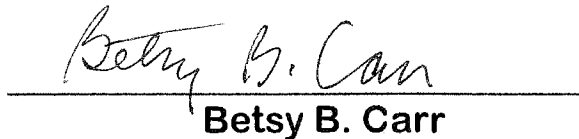
  
John M. O'Bannon, III

  
Edward T. Scott

  
Christopher P. Stolle

  
Richard L. Anderson

  
Mark D. Sickles

  
Betsy B. Carr

## Budget Amendment Recommendations

<u>HB 1400</u>	<u>2014-16 BIENNIAL TOTAL</u>		
<u>Amendment</u>	<u>General</u>		
	<u>Fund</u>	<u>NGF</u>	<u>FTE</u>

### Transportation

#### Secretary of Transportation

Review of Rail Enhancement Fund	Language	
Funding for Municipal Bridges	Language	

#### Department of Motor Vehicles

Implementation of TNC Legislation	Language	
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#### Department of Rail and Public Transportation

WMATA Audit and Financial Review	Language	
NVTC Administrative Costs	Language	

#### Department of Transportation

Soil Retention Materials	Language	
Secondary Roads Expenditures	Language	
Hampton Roads Transportation Accountability Commission	Language	

#### Virginia Port Authority

Adjust NGF Funding and FTEs	2,802,000	23
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#### Part 4

Clarifying Language - Local Property	Language	
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**Transportation**

Secretary Of Transportation

Language

**Language:**

Make generic and not project specific. Language

Page 399, after line 14, insert:

"N. In programming funds for the reconstruction and rehabilitation of structurally deficient bridges pursuant to § 33.2-358 C.(i), Code of Virginia, the Board shall consider both state and locally-owned bridges."

**Explanation:**

(This amendment directs the Commonwealth Transportation Board to include municipally-owned structurally deficient bridges in its selection of projects being funded with the portion of the "CTB formula" funds dedicated to structurally deficient bridges. The Code provisions include municipally-owned primary extensions but failed to reference bridges on the same roadway sections.)

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**Transportation**

Secretary Of Transportation

Language

**Language:**

Page 399, after line 14, insert:

"N. No later than December 1, 2015, the Secretary of Transportation, in conjunction with the Department of Rail and Public Transportation, shall provide a comprehensive review to the Chairmen of the House and Senate Transportation Committees, House Appropriations Committee and Senate Finance Committee on the usage of monies deposited in the Rail Enhancement Fund since its establishment in fiscal year 2006. Such a review shall include the amounts of funds allocated to rail freight projects, the amounts allocated to rail passenger projects, and the outstanding commitments to each type of project by year. Also included in this review shall be an accounting of any funds transferred in or out of the fund for other purposes, and additional funds made available, by year, for rail projects in the Commonwealth. The review shall include the uses of any funding deposited into the Intercity Passenger Rail Operating and Capital Fund, and the source of such funds. Finally, the review shall include an assessment of outstanding needs for rail

improvement projects and any modifications to the program that would help better address those needs."

**Explanation:**

(This amendment directs the Department of Rail and Public Transportation to undertake a comprehensive review of the Rail Enhancement Fund and its usage. Established in 2005, after 10 years there is a need to review how effective the guidelines governing its use have been and whether any modifications are required to reflect changes in revenue streams and transportation needs in the intervening years.)

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Transportation Subcommittee

Item 433 #1h

<b>Transportation</b>	<b>FY 14-15</b>	<b>FY 15-16</b>	
Department Of Motor Vehicles	\$650,000	\$350,000	NGF

**Language:**

Page 401, line 8, strike "\$165,832,775" and insert "\$166,482,775".

Page 401, line 8, strike "\$170,759,999" and insert "\$171,109,999".

Page 402, after line 30, insert:

"K. Included in the amounts for this item is \$650,000 in the first year and \$350,000 in the second year to support the start-up and on-going costs associated with the regulation of Transportation Network Companies in Virginia pursuant to the provisions of House Bill 1662, 2015 Session of the General Assembly."

**Explanation:**

(This amendment provides \$650,000 in the first year and \$350,000 in the second year from nongeneral fund sources to support the implementation of House Bill 1662, 2015 Session of the General Assembly. This legislation establishes a legal framework for the operation of Transportation Network Companies in Virginia and authorizes DMV to conduct periodic reviews of the TNC to confirm compliance and authorizes fees to cover DMV's costs of administering the program, including an annual fee of \$50 per TNC partner vehicle, an initial TNC license fee of \$70,000, and an annual license renewal fee of \$3,000. The bill requires DMV to review the fee structure and report by December 1, 2016. These fee revenues would be the source of funds for the nongeneral fund appropriation.)

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Transportation Subcommittee

Item 439 #1h

**Transportation**

**Language:**

Page 405, line 1, after "B." insert "1."

Page 405, after line 10, insert:

"2. Revenues utilized to support transit operations in pursuant to § 58.1-638 A.4., Code of Virginia, shall be provided to support the Washington Metropolitan Area Transit Authority (WMATA) in fiscal year 2016, provided, however, that the WMATA Board of Directors first has received and provided to the Chairmen of the House Appropriations and Senate Finance the audited financial statements for fiscal year 2014 with an unqualified opinion from the independent auditors. If this provision has not been fulfilled, funding for WMATA shall be withheld until such time as the Director, Department of Rail and Public Transportation, determines, in consultation with WMATA and the Chairmen of House Appropriations and Senate Finance Committees, that any material deficiencies in the audit have been addressed."

**Explanation:**

(This amendment stipulates that fiscal year 2016 funding shall not be provided to WMATA if the annual external financial audit of WMATA results in other than an unqualified opinion until the Director, DRPT determines that any material deficiencies in financial controls identified in the audit have been addressed.)

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Transportation Subcommittee

Item 439 #2h

**Transportation**

Department Of Rail And Public  
Transportation

Language

**Language:**

Merge with the other item

Page 405, line 1, after "B." insert "1."

Page 405, after line 10, insert:

"2. Revenues utilized to support transit operations in pursuant to § 58.1-638 A.4., Code of Virginia, shall be provided to support the Washington Metropolitan Area Transit Authority (WMATA) in fiscal year 2016, provided, however, that the WMATA Board of Directors first has addressed all the recommendations cited in the Federal Transit Administration of the U. S. Department of Transportation's "Full



Scope of Systems Review of the Washington Metropolitan Transit Authority" dated June 10, 2014, and the Director, Department of Rail and Public Transportation, in consultation with the appropriate compliance officer of the Federal Transit Administration and the Chairs of the House Appropriations and Senate Finance Committees, determines that such recommendations have been addressed."

**Explanation:**

(This amendment limits the distribution of state funds to WMATA if they have not addressed the requirements of the USDOT review of its operations.)

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Transportation Subcommittee

Item 439 #3h

**Transportation**

Department Of Rail And Public  
Transportation

Language

**Language:**

Page 405, after line 17, insert:

"E. Notwithstanding any other provision of law, growth in the administrative and personnel costs of the Northern Virginia Transportation Commission shall not increase at a rate exceeding the annual growth in direct local contributions received from the member jurisdictions of the Commission except in those instances where such increases are required to address activities mandated by the Code of Virginia."

**Explanation:**

(This amendment ties growth in NVTC administrative and personnel costs to growth in local contributions from the member jurisdictions which comprise the Northern Virginia Transportation Commission.)

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Transportation Subcommittee

Item 445 #1h

**Transportation**

Department Of Transportation

Language

**Language:**

Page 409, after line 46, insert:

"F. Notwithstanding any other provision of law or policy, except as provided herein, the Commonwealth Transportation Board shall, in the allocation, payment, or expenditure of any funds of the Commonwealth in connection with any construction,

alteration, maintenance, operation, or repair of any bridge, tunnel, highway, or other transportation facility, attempt to purchase, use, and acquire only geotextiles, material stabilization, and drainage fabrics that are produced in the United States, to the extent that such goods and equipment are available and such procurement is not prohibited by federal law or regulation."

**Explanation:**

(This amendment states that the Department of Transportation shall use U.S. made materials for soil retention purposes.)

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Transportation Subcommittee

Item 445 #2h

**Transportation**

Department Of Transportation

Language

**Language:**

Page 409, after line 46, insert:

"F. Consistent with the provisions of § 33.2-232 and § 33.2-369, Code of Virginia, as amended by the 2015 General Assembly, the Commissioner of the Department of Transportation shall report to the Chairmen of the House and Senate Transportation Committees and the House Appropriations and Senate Finance Committees on the allocation of maintenance and construction funding for secondary roadway system improvements by jurisdiction for the preceding year. Such report shall include an assessment of whether the department has met its secondary road pavement targets, by district and one a statewide basis. An update to the report, which shall include an update on the availability of condition data on the secondary system and detail on the Department's proposed condition indices for the measurement of bridge and pavement condition, shall be presented no later than November 15, 2015."

**Explanation:**

(This amendment directs the Department of Transportation to report to the House and Senate Transportation Committees and the money committees regarding the level and distribution of funding for secondary road construction and maintenance activities.)

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Transportation Subcommittee

Item 447 #1h

**Transportation**

Department Of Transportation

Language

**Language:**

Page 410, line 51, strike ", " and insert "."

Page 410, line 52, strike lines 52 through 54 and insert:

"Notwithstanding any other provision of law, moneys deposited into the Hampton Roads Transportation Fund shall be transferred to the Hampton Roads Transportation Accountability Commission for use in accordance with § 33.2-2611, Code of Virginia, which use may include as a source of funds for administrative expenses of the Hampton Roads Transportation Accountability Commission."

**Explanation:**

(This amendment makes technical corrections to language included in House Bill 1400 as introduced which updated references to the distribution of regional transportation funding in Hampton Roads, and authorizes the transfer of Hampton Roads Transportation Fund revenues to the HRTAC now that the Authority has been established and organized.)

Transportation Subcommittee

Item 456 #1h

**Transportation**

**FY 14-15**

**FY 15-16**

Virginia Port Authority

\$0

\$2,802,000

NGF

0.00

23.00

FTE

**Language:**

Page 420, line 7, strike "\$92,469,634" and insert "\$95,271,634".

Page 420, line 9, strike "\$81,998,522" and insert "\$84,800,522".

**Explanation:**

(This amendment makes technical adjustments to the number of nongeneral fund positions and associated funding for the Virginia Port Authority to accurately reflect the consolidation and shifting of positions from the Virginia International Terminals to the Virginia Port Authority as part of their reorganization efforts.)

Transportation Subcommittee

Item 4-4.01 #1h

**Capital Projects**

General

Language

**Language:**

Page 539, unstrike lines 41 through 43.

Page 539, line 43, after "law." insert:

"However, bridge approaches and adjoining roadway property on land and not over the Chesapeake Bay and its tidal tributaries as defined in § 15.2-3105 remain within the boundaries of such locality."

**Explanation:**

(This amendment will reinstate budget language adopted by the 2014 General Assembly. The language makes clear that § 15.2-3105 of the Code of Virginia dealing with the exclusion of bridges within the boundaries of localities bordering on the Chesapeake Bay and its tidal tributaries is applicable to a bridge that is privately financed and constructed but operated for public use.)

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