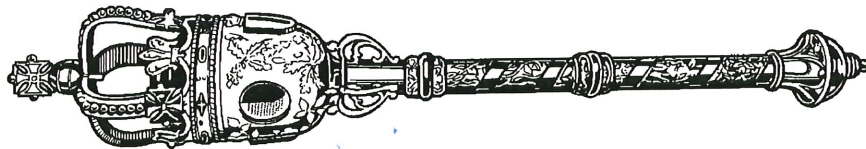


*Report of the
House Appropriations
Subcommittee*

on

Transportation



House Bill 29

&

House Bill 30

February 18, 2018

REPORT OF THE SUBCOMMITTEE

on

TRANSPORTATION

Mr. Chairman and Members of the Committee:

Transportation remains one of the most significant issues in our Commonwealth. Over the last few Sessions we focused on reinvesting in, reforming, and refocusing our highway investment and “P3” programs. This year, we have turned our attention to other transportation agencies, in particular the Departments of Rail and Public Transportation and Motor Vehicles, and the Virginia Port Authority.

In the budget for the upcoming biennium we will appropriate an additional \$932.6 million nongeneral fund in fiscal year 2019 and \$605.7 million nongeneral fund in fiscal year 2020 for Transportation, bringing biennial spending for transportation agencies to \$14.5 billion, its highest level ever.

This Session there has been much discussion of public transportation needs, both at the Washington Metropolitan Area Transit Authority (WMATA) and across the Commonwealth. That discussion will continue throughout the remainder of this Session, and the Subcommittee felt it prudent to remove any assumptions related to stand-alone legislation addressing the WMATA funding plan which instead will be reflected in the final budget based on the resolution of the separate legislation.

In terms of statewide transit funding, the Subcommittee amendments remove a proposed debt authorization of \$110.0 million in FY 2020, which would have been the first of five tranches to support transit capital purchases. This decision was two-fold. First, use of \$550.0 million would consume almost 20 percent of the state’s total debt capacity over the next 5 years and pit transit against higher education, mental health and core

government services. More importantly, the members were concerned about relying on long-term debt to support vehicles with 10-year life spans. Instead, the budget amendment package directs the Department of Rail and Public Transportation to work with Treasury and the Department of General Services – along with relevant stakeholder groups – to investigate the prospects of establishing a Master Equipment Lease Program for bus purchases that would utilize shorter-term debt to create a revolving fund more appropriate for this purpose.

Moving next to the Department of Motor Vehicles, the Subcommittee thought long and hard about how to address the growing operational costs of DMV. Unlike general fund agencies, the department must absorb all increases associated with employee compensation and benefits, rent increases and information technology costs. Unfortunately, without additional revenue, we are likely to see service degradation at our DMV offices across the Commonwealth. The Subcommittee amendments include authorization to increase the motor vehicle titling fee from \$10.00 to \$20.00, generating \$26.0 million in additional funding to support the department's activities. This provides a simple solution to the problem, and even with the increase, the cost is both below inflationary growth since the fee was last increased in 1982, and far below the amounts charged by our neighboring states.

At the same time, the Subcommittee felt a responsibility to ensure that new initiatives are implemented at the lowest possible cost, and appropriate levels of General Assembly oversight are maintained. While supportive of DMV's voluntary approach to the federal REAL ID requirements, the amendments scale back the number of new FTE positions provided for this activity to ensure that the expansion meets but does not exceed needs and requires quarterly reports to the money committees prior to making draw-downs from the line of credit authorized in the budgets as introduced.

Mr. Chairman, a few years ago, the Port of Virginia was in horrible shape, losing tens of millions of dollars a year. The General Assembly fought

back proposals to sell our facilities and demanded better. The Port Authority reorganized the management under tighter control. These efforts have paid off. The port finished 2017 with its best fiscal year on record. What's more, this was the fourth year of growth in a row. Volume is way up and the port is expanding its two biggest terminals.

But in this competitive international environment, more must be done to ensure Virginia's port remains positioned to be the top east coast port throughout the 21st century. I am pleased to report that the subcommittee was able to approve \$350 million in funding to allow the Virginia Port Authority to build on its momentum and proceed at once with the much needed deepening and widening of the channels. Included in the amendment package is \$20.0 million in Commonwealth Transportation Funds to immediately begin the preliminary engineering and design as well as \$330 million in bonds approved by the Capital Outlay Subcommittee to fully fund the state's share of this critical project.

In closing, I would like to thank Chairman Jones for the honor of serving in this capacity. The members of the Subcommittee have worked hard and I also appreciate their support in putting the subcommittee budget together. Committee staff will review the attached listing of our recommendations at this time. I hope it will be your pleasure to adopt our Subcommittee Report.

Respectfully Submitted by the House Appropriations Subcommittee on
Transportation:



Christopher P. Stolle, Chairman



Christopher K. Peace



T. Scott Garrett



Roxann L. Robison

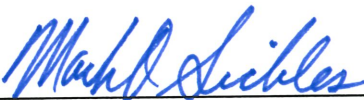


Christopher T. Head



Luke E. Torjan

*with exception of
433 #2A*



Mark D. Sickles *w exception
of 433 #2A*



Betsy B. Carr

*with exception
433 #2A*

Budget Amendment Recommendations

| <u>Amendment</u> | House Bill 29 FY 2018 | <u>2018-2020 BIENNIAL TOTAL</u> | | |
|------------------|----------------------------------|---------------------------------|------------|------------|
| | | <u>GF</u> | <u>NGF</u> | <u>FTE</u> |

Transportation

HB 29 (2016-18 Budget)

Department of Motor Vehicles

| | | | |
|--|----------|--|--------|
| Phased Implementation of Federal REAL ID Act | Language | | (10.0) |
|--|----------|--|--------|

Department of Transportation

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|----------------------|----------|--|--|
| Technical Correction | Language | | |
|----------------------|----------|--|--|

HB 30 (2018-20 Budget)

Secretary of Transportation

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|-----------------------------------|----------|--|--|
| Evaluation of I-81 Corridor Needs | Language | | |
|-----------------------------------|----------|--|--|

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|--|----------|--|--|
| Clarifying PPTA Procurement Provisions | Language | | |
|--|----------|--|--|

Department of Motor Vehicles

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|---|----------|--|--|
| Feasibility of Privatizing Driver License Tests | Language | | |
|---|----------|--|--|

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|---------------------------|--|------------|--|
| DMV Revenue Stabilization | | 52,000,000 | |
|---------------------------|--|------------|--|

| | | | |
|--|----------|--|--------|
| Phased Implementation of Federal REAL ID Act | Language | | (29.0) |
|--|----------|--|--------|

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|--|----------|--|--|
| DMV Sharing of Regional Gas Tax Collection Information | Language | | |
|--|----------|--|--|

| | | | |
|--|----------|--|--|
| Transparency of Regional Gas Tax Collections | Language | | |
|--|----------|--|--|

Department of Rail and Public Transportation

| | | | |
|----------------------|----------|--|--|
| Technical Correction | Language | | |
|----------------------|----------|--|--|

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|---|----------|--|--|
| Removal of Bond Authorization/Investigate Feasibility of MELP | Language | | |
|---|----------|--|--|

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|--------------------------------|----------|--|--|
| Transit Prioritization Process | Language | | |
|--------------------------------|----------|--|--|

| | | | |
|---|----------|--|--|
| Establish Separate Allocation for WMATA | Language | | |
|---|----------|--|--|

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|---|----------|--|--|
| Distribution of Transit Operating Funds | Language | | |
|---|----------|--|--|

| | | | |
|----------------------------------|----------|--|--|
| Transit Property Strategic Plans | Language | | |
|----------------------------------|----------|--|--|

| | | | |
|----------------------|----------|--|--|
| Technical Correction | Language | | |
|----------------------|----------|--|--|

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|-------------------------|----------|--|--|
| Shortline Railway Funds | Language | | |
|-------------------------|----------|--|--|

Department of Transportation

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|---|----------|--|--|
| Reevaluation of I-66 Inside Beltway Tolling Algorithm | Language | | |
|---|----------|--|--|

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|---|----------|--|--|
| Reverse Commuter Tolling on I-66 Inside the Beltway | Language | | |
|---|----------|--|--|

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|--|----------|--|--|
| Removal of Gas Tax Floor Funding Pending Final Legislation | Language | | |
|--|----------|--|--|

| | | | |
|--|----------|--|--|
| Virginia Beach Funding for Sound Barrier | Language | | |
|--|----------|--|--|

Virginia Port Authority

| | | | |
|--|--|-------------|--|
| Port Economic Development Zone Grant Fund from COF | | (4,000,000) | |
|--|--|-------------|--|

Part 5

| | | | |
|--|----------|--|--|
| Speaker's Appointments to Regional Commissions | Language | | |
|--|----------|--|--|

Committee Approved Amendments to House Bill 29, as Introduced

Item 442 #1h

| Transportation | FY16-17 | FY17-18 |
|------------------------------|----------------|----------------|
| Department of Motor Vehicles | -10.00 | -10.00 FTE |

Language:

Page 166, at the end of line 24, insert:

"At least 10 days prior to any draw downs from this line of credit, the Secretaries of Finance and Transportation shall report to the Chairmen of the House Appropriations and Senate Finance Committees, the amount of the proposed draw down and its intended usage."

Explanation:

(This amendment phases-in DMV's FTE position enhancements required for the implementation of the federal REAL ID Act and requires reporting to the General Assembly regarding the proposed usage of the funds. Authorization in House Bill 29 still includes an additional 15.00 FTE positions in the current fiscal year. Additional authority is included in House Bill 30 for actions taken after June 30, 2018.)

Item 456 #1h

| Transportation | Language |
|------------------------------|-----------------|
| Department of Transportation | |

Language:

Page 172, strike lines 21 and 22.

Page 172, line 24, strike "331,400,000" and insert "332,900,000".

Explanation:

(This amendment makes a technical correction to remove an inadvertant appropriation of \$1.5 million to VDOT's service area 60705, Financial Assistance for Local Transportation Project Management and instead appropriately place the funds in program 60706, Distribution of Northern Virginia Transportation Authority Fund Revenues.)

Transportation

Secretary of Transportation

Language

Language:

Page 383, after line 43, insert:

"K.1. The Commonwealth Transportation Board is directed to study financing options for Interstate 81 corridor improvements. In conducting its study, the Board shall evaluate the feasibility of using toll financing to improve Interstate 81 throughout the Commonwealth. Such evaluation shall not consider options that toll all users of Interstate 81, and shall not consider tolls on commuters using Interstate 81, but may consider high-occupancy toll lanes established pursuant to § 33.2-502 of the Code of Virginia and tolls on heavy commercial vehicles. The Board, with the support of the Office of Intermodal Planning and Investment, shall develop and adopt an Interstate 81 Corridor Improvement Plan by January 1, 2019, and shall submit to the Governor and the General Assembly an executive summary and a report of its findings and recommendations.

2. At a minimum, in the development of such Plan, the Board shall:

- a. Designate specific segments of the Interstate 81 corridor for improvement;
- b. Identify a targeted set of improvements for each segment that may be financed or funded in such segment and evaluated using the statewide prioritization process pursuant to § 33.2-214.1 of the Code of Virginia;
- c. Ensure that in the overall plan of expenditure and distribution of any toll revenues or other financing means evaluated, each segment's total long-term benefit shall be approximately equal to the proportion of the total of the toll revenues collected that are attributable to such segment divided by the total of such toll revenues collected;
- d. Study truck travel patterns along the Interstate 81 corridor and analyze policies that minimize the impact on local truck traffic;
- f. Identify incident management strategies corridor-wide;
- g. Ensure that any revenues collected on Interstate 81 be used only for the benefit of that corridor;
- h. Identify actions and policies that will be implemented to minimize the diversion of truck traffic from the Interstate 81 corridor, including the prohibition of through trucks on parallel routes; and
- i. Determine potential solutions to address truck parking needs along the Interstate 81 corridor."

Explanation:

(This amendment directs the Commonwealth Transportation to study opportunities to make improvements along the Interstate 81 Corridor and report on its findings to the General Assembly by January 1, 2019.)

Committee Approved Amendments to House Bill 30, as Introduced

Item 433 #2h

Transportation

Secretary of Transportation

Language

Language:

Page 383, after line 43, insert:

"K. Notwithstanding any provision of law to the contrary, the provisions of § 2.2-4321.2, Code of Virginia, shall be applicable to transportation infrastructure projects or facilities to be developed pursuant to the Public Private Transportation Act of 1995, as amended. However, § 2.2-4321.2 shall not apply to any projects or facilities to be developed pursuant to the Public Private Transportation Act of 1995, as amended, that (i) improve or construct a limited access roadway that crosses state borders, and (ii) include construction of a new bridge or expansion of an existing bridge."

Explanation:

(This amendment reinserts language included in Chapter 836, 2017 General Assembly, and clarifies that existing Code provisions apply to transportation projects developed under the PPTA and not just those undertaken by the State itself.)

Item 439 #1h

Transportation

Department of Motor Vehicles

Language

Language:

Page 387, after line 48, insert:

"P. The Commissioner of the Department of Motor Vehicles, in consultation with applicable stakeholder groups, shall report on the feasibility and advisability of outsourcing driver license road tests for adults. Such report shall be submitted to the Chairmen of the House and Senate Transportation Committees no later than November 15, 2018."

Explanation:

(This amendment would direct DMV to study the feasibility of privatizing driver license road tests.)

Item 439 #2h

Transportation

Department of Motor Vehicles

FY18-19

\$26,000,000

FY19-20

\$26,000,000 NGF

Committee Approved Amendments to House Bill 30, as Introduced

Language:

Page 385, line 43, strike "\$201,197,223" and insert "\$227,197,223".

Page 385, line 43, strike "\$198,657,741" and insert "\$224,657,741".

Page 386, line 46, strike "\$10" and insert "\$20".

Page 386, line 46, strike "replacement and supplemental".

Explanation:

(This amendment would adjust the fee on all motor vehicle titles to partially offset the impact of inflation. The title fee was originally set at \$10.00 in 1982. This is anticipated to generate approximately \$26.0 million in nongeneral fund resources for the department each year. Neighbor jurisdiction title fees average \$33.93. In Maryland the charge is \$100.00, in North Carolina it is \$52.00 for a mailed copy and \$98.00 for instant service, and in the District of Columbia it is \$26.00.)

Item 439 #3h

| Transportation | FY18-19 | FY19-20 |
|------------------------------|----------------|----------------|
| Department of Motor Vehicles | -29.00 | -29.00 FTE |

Language:

Page 387, astrike line 47 and 48 and insert:

"2. At least 10 days prior to any draw downs from this line of credit, the Secretaries of Finance and Transportation shall report to the Chairmen of the House Appropriations and Senate Finance Committees, the amount of any proposed draw down, the incremental and cumulative costs associated with system modifications and equipment, and the incremental and cumulative number of full-time equivalent positions and part-time positions filled to support the implementation of the federal REAL ID Act and the intended usage of any new draw downs. Subsequent to October 1, 2018, the department shall report on a quarterly basis to the Chairmen of the House Appropriations and Senate Finance Committees on the number of REAL ID compliant credentials that have been issued and any changes in average wait times at DMV offices that have resulted from the increased workload. The first report shall be submitted by January 1, 2019 for the period October 1, 2018 through December 31, 2018, and be submitted every three months thereafter."

Explanation:

(This amendment reduces the number of new FTE positions authorized to implement the federal REAL ID Act by 29 positions, leaving 42 new full-time personnel available. While a multi-year effort with up-front costs, the implementation of federally compliant identification should not rely on permanent employees given that we cannot accurately estimate how many will chose to pay for the voluntary credential, nor the timing of when citizens choose to obtain such credentials. House Bill 30 as introduced authorized an increase of 25.0 FTE positions in fiscal

Committee Approved Amendments to House Bill 30, as Introduced

year 2018 and increases that number to 71.0 FTE positions in fiscal year 2019 and fiscal year 2020 to support this effort. This amendment reduces the position request and includes a number of reporting requirements to allow for greater General Assembly oversight of the process. If DMV sees a degradation of its service levels, the 2019 General Assembly could choose to address this issue by authorizing additional personnel.)

Item 443 #1h

Transportation

Department of Motor Vehicles Transfer Payments

Language

Language:

Page 388, at the beginning of line 38, insert "A."

Page 388, after line 41, insert:

"B. Notwithstanding any other provision of law, the Commissioner may divulge tax information collected pursuant to § 58.1-2291 et seq., Code of Virginia, to the executive director or designee of the Northern Virginia Transportation Commission, the Potomac and Rappahannock Transportation Commission, and the Hampton Roads Transportation Accountability Commission for their confidential use of such tax information as may be necessary to facilitate the collection of the taxes collected in the respective member jurisdictions. Any person to whom tax information is divulged pursuant to this section shall be subject to the prohibitions and penalties prescribed in § 58.1-3 as though that person were a tax official as defined in that section."

Explanation:

(This amendment authorizes the DMV to share gas tax collection information with the regional transportation authorities in Northern Virginia and Hampton Roads.)

Item 443 #2h

Transportation

Department of Motor Vehicles Transfer Payments

Language

Language:

Page 388, at the beginning of line 38 insert:

"The amounts appropriated for the distribution of sales tax on fuel in certain transportation districts in this item include an estimated \$32,900,000 to the Northern Virginia Transportation Commission, \$22,200,000 to the Potomac and Rappahannock Transportation Commission and \$26,300,000 to the Hampton Roads Transportation Accountability Commission in the first year and \$36,200,000 to the Northern Virginia Transportation Commission, \$24,500,000 to the Potomac and Rappahannock Transportation Commission and \$29,600,000 to the Hampton

Committee Approved Amendments to House Bill 30, as Introduced

Roads Transportation Accountability Commission in the second year. These amounts are listed for informational purposes only."

Explanation:

(This amendment simply lists the amounts of regional gas tax collections reflected in this item by Commission so that the public and General Assembly can more easily find the amounts generated in each district.)

Item 445 #1h

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 390, line 9, strike "Item 436 B. 5." and insert "Item 433 B. 5".

Page 390, line 27, strike "58.1-638 A. 4. e." and insert "58.1-638 A. 4. b.".

Page 390, line 36, strike "33.2-241" and insert "33.2-214".

Page 390, line 55, strike "58.1-638 A. 4. b. 1. (c)" and insert "58.1-638 A. 4. b. 1."

Explanation:

(This amendment corrects inaccurate Item and Code section references contained in this item.)

Item 445 #2h

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 391, strike lines 6 through line 17 and insert:

"G.1. The Department of Rail and Public Transportation, in conjunction with the Department of Treasury and the Department of General Services shall investigate options to develop a program for the financing of statewide transit capital needs using the Master Equipment Leasing Program currently operated through the Department of the Treasury as a model to facilitate group purchases of mass transit equipment. The goal of the program would be twofold: (i) to achieve cost savings through bulk purchases and (ii) to establish a revolving fund to meet transit capital replacement needs that does not rely on the use of longer-term debt for items with a limited life cycle.

2. As part of this effort, the department shall convene a work group that includes representatives from the Northern Virginia, Rappahannock and Potomac, and Hampton Roads Transportation District Commissions, transit properties not a member of a Transportation District Commission, the Virginia Municipal League and the Virginia Association of Counties. The work group shall

Committee Approved Amendments to House Bill 30, as Introduced

utilize the Report of the Transit Capital Revenue Advisory Board findings relating to state of good repair needs to develop and estimate of the amount of transit capital funding needed annually and shall also identify potential sources within the Transportation Trust Fund that could be used to provide lease payments for the program.

3. The Director of the Department of Rail and Public Transportation shall submit a report on the proposed program, including legal requirements, terms, rates and operational structure to the Governor, the Chairman of the House Appropriations Committee and the Senate Finance Committee by November 1, 2018."

Explanation:

(This amendment eliminates a proposed \$110.0 million bond authorization for transit capital improvements that is included in House Bill 30 as introduced in fiscal year 2020. It is premature to issue bonds for this purpose before implementing the transit capital project prioritization process similar to that which is used for highway projects under "Smart Scale." Further, the bonds do not fully expire until fiscal year 2021, with the commitment under PRIIA funded with bonds through fiscal year 2020. The bond language is replaced with a directive that DRPT investigate options to establish a MELP program which could serve as a revolving fund for the purchase of this equipment which has a limited lifetime and is not suited for longer-term bonds.)

Item 445 #3h

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 390, delete lines 29 through 42, and insert:

E. 1. The Board shall develop a prioritization process for the use of funds allocated pursuant to subdivision C 2 of § 33.2-1526.1. Such prioritization process shall be used for the development of the Six-Year Improvement Program adopted annually by the Board pursuant to § 33.2-214. There shall be a separate prioritization process for state of good repair projects and major expansion projects. The prioritization process shall, for state of good repair projects, be based upon transit asset management principles, including federal requirements for Transit Asset Management pursuant to 49 U.S.C. § 5326. The prioritization process shall, for major expansion projects, be based on an objective and quantifiable analysis that considers the following factors relative to the cost of a major expansion project: congestion mitigation, economic development, accessibility, safety, environmental quality, and land use.

2. The Board shall solicit input from localities, metropolitan planning organizations, transit authorities, transportation authorities, and other stakeholders in its development of the prioritization process pursuant to this subsection. Further, the Board shall explicitly consider input provided by an applicable metropolitan planning organization or the Northern Virginia Transportation Authority when developing the prioritization process set forth in subdivision 1 for a metropolitan planning area with a population of over 200,000 individuals.

Committee Approved Amendments to House Bill 30, as Introduced

B. The Department of Rail and Public Transportation, in conjunction with the Transit Service Delivery Advisory Committee, shall complete development of a distribution process for the funds allocated pursuant to subdivision C 1 of § 33.2-1526.1 and how transit systems can incorporate these metrics in their transit development plans. Prior to the Board approving the service delivery factors, the Director of the Department of Rail and Public Transportation along with the Chairman of the Transit Service Delivery Advisory Committee shall brief the House Appropriations Committee, the Senate Committee on Finance and the House and Senate Committees on Transportation on the findings of the Transit Service Delivery Advisory Committee and the Department's recommendation. Before redefining any component of the service delivery factors, the Board shall consult with the Director of the Department of Rail and Public Transportation, the Transit Service Delivery Advisory Committee, and interested stakeholders and provide for a 45-day public comment period. The implementation of such process shall be in place no later than July 1, 2019 and shall apply to the fiscal year 2020-2025 Six-Year Improvement Program."

Explanation:

(This amendment expedites the implementation of a process to prioritize the expenditure of transit capital projects. House Bill 30 as introduced delayed the implementation until July 1, 2020.)

Item 445 #4h

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 389, strike lines 24 through 50, and insert:

"A.1. Except as provided in Item 447, the Commonwealth Transportation Board shall allocate all monies in the Commonwealth Mass Transit Fund, as provided herein and in § 33.2-1526.1, Code of Virginia. The total appropriation for the Commonwealth Mass Transit Fund is estimated to be \$296,028,000 the first year and \$296,079,000 the second year from the Transportation Trust Fund. From these funds, the following estimated allocations shall be made:

a. \$90,932,000 the first year and \$90,948,000 the second year to statewide Operating Assistance as provided in § 33.2-1526.1.C.1., Code of Virginia.

b. \$36,666,000 the first year and \$36,672,000 the second year from the Commonwealth Mass Transit Fund to statewide Capital Assistance.

c. \$156,930,000 the first year and \$156,958,000 the second year from the Commonwealth Mass Transit Fund to the Northern Virginia Transportation Commission to support the operating and capital costs of the Washington Metropolitan Area Transit Authority.

d. Notwithstanding the provisions of paragraph A.1.a, A.1.b, and A.1.c of this item, prior to the annual adoption of the Six-Year Improvement Program, the Commonwealth Transportation Board may allocate funding from the Commonwealth Mass Transit Fund to implement the

Committee Approved Amendments to House Bill 30, as Introduced

transit and transportation demand management improvements identified for the I-95 corridor. Such costs shall include only direct transit capital and operating costs as well as transportation demand management activities. Costs associated with additional park and ride lots required to be funded by the Commonwealth under the provisions of the Comprehensive Agreement for the Interstate 95 High Occupancy Toll Lanes project shall be borne by the Department of Transportation as set out in Item 450 of this act.

2. Included in this item is \$1,500,000 the first year and \$1,500,000 the second year from the Commonwealth Mass Transit Trust Fund. These allocations are designated for "paratransit" capital projects and enhanced transportation services for the elderly and disabled.

3. Included in this item is an amount estimated at \$1,200,000 the first year and \$1,200,000 the second year from the Commonwealth Mass Transit Trust Fund. These allocations are designated for federally mandated state safety oversight of fixed rail guideway transit agencies located in the Commonwealth.

4. a. From the amounts appropriated in this item from the Commonwealth Mass Transit Fund, \$8,800,000 the first year and \$8,801,000 the second year is the estimated allocation to statewide Special Programs as provided in § 33.2-1526.1, Code of Virginia.

b. From the amounts provided for Special Programs, the Commonwealth Transportation Board shall operate a program entitled the Transportation Efficiency Improvement Fund (TEIF). The purpose of the TEIF program is to reduce traffic congestion by supporting transportation demand management programs and projects designed to reduce the movement of passengers and freight on Virginia's highway system.

5. The amount allocated for public transportation purposes according to Item 436B 5 is an amount estimated at \$25,583,000 the first year and \$25,583,000 the second year from federal sources for the Surface Transportation Block Grant (STBG) program.

B. 1. Funds from a stable and reliable source, as required in Public Law 96-184, as amended, are to be provided to Metro from payments authorized and allocated in this program and pursuant to §§ 58.1-1720 and 58.1-2295, Code of Virginia. Notwithstanding any other provision of law, funds allocated to Metro under this program may be disbursed by the Department of Rail and Public Transportation directly to Metro or to any other transportation entity that has an agreement to provide funding to Metro as deemed appropriate by the Department. In appointing the Virginia members of the board of directors of the Washington Metropolitan Area Transit Authority (WMATA), the Northern Virginia Transportation Commission shall include the Secretary of Transportation or his designee as a principal member on the WMATA board of directors.

C. All Commonwealth Mass Transit Funds appropriated for Financial Assistance for Public Transportation shall be used only for public transportation purposes as defined by the Federal Transit Administration or outlined in § 58.1-638 A.4. or in § 33.2-156.1, Code of Virginia.

D. It is the intent of the General Assembly that no transit operating assistance funding, as provided in A.1.a. of this item, be used to support any new transit system or route at a level higher than such project would be eligible for under the allocation formula set out in § 33.2-1526.1.C.1., Code of Virginia, beyond the first two years of its operation.

Page 390, strike lines 1 through 28.

Committee Approved Amendments to House Bill 30, as Introduced

Explanation:

(This amendment sets out a separate allocation for Metro to ensure that funding for other statewide transit properties is not impacted by changing Metro allocations and makes other technical corrections to the language in Item 445 as included in House Bill 30 as introduced. The funding suballocations mirror language included in House Bill 1539, 2018 Session of the General Assembly as adopted by the House.)

Item 445 #5h

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 391, after line 17, insert:

"G. Notwithstanding the provisions of § 33.2-1526.1., Code of Virginia, as adopted by the 2018 Session of the General Assembly, beginning in fiscal year 2020 all funds distributed pursuant to the provisions of paragraph C.1. of that section for transit operating costs shall be allocated by the Commonwealth Transportation Board on the basis of service delivery factors, based on effectiveness and efficiency. Before redefining any component of the service delivery factors, the Commonwealth Transportation Board shall consult with the Director of the Department of Rail and Public Transportation, Transit Service Delivery Advisory Committee, and interested stakeholders and provide for a 45-day public comment period. Prior to approval of any amendment to the service delivery measures, the Board shall notify the aforementioned committees of the pending amendment to the service delivery factors and its content."

Explanation:

(This amendment requires that transit operating funds be distributed based on service delivery factors beginning in fiscal year 2020. Legislation adopted by the 2013 General Assembly began the process of utilizing these factors, developed by the transit providers and local governments, for a portion of operating funds in fiscal year 2014. This expands this process to relate to all operating funds beginning in fiscal year 2020, six years after the process was initiated.)

Item 445 #6h

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 391, after line 17, insert:

"H. As a condition of receipt of funding allocated in this item, each transit agency that (i) serves

Committee Approved Amendments to House Bill 30, as Introduced

an urbanized area with a population of 50,000 or more and (ii) has a bus fleet of 20 or more, shall develop a strategic plan at least once every five years that includes a needs and route analysis and shall at a minimum include: identification of areas for improved operating efficiency, including speed and reliability of trips and network connectivity; an assessment of the type of operating services for different service areas and needs; a review of performance of routes, route design standards, and schedule standards; and, examine transit needs to identify ways to improve access for underserved areas. The first strategic assessment shall be submitted to the Department of Rail and Public Transportation no later than July 1, 2019. Noncompliance with such requirement may result in the withholding of allocations to any agency failing to submit such plan to the department beginning in fiscal year 2020, as determined by the Director."

Explanation:

(This amendment directs all transit agencies in urbanized areas over 50,000 with bus fleets in excess of 20 vehicles to develop a strategic plan that includes a needs and route analysis every five years.)

Item 446 #1h

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 391, line 31, strike "souce" and insert "source".

Explanation:

(This amendment is a technical correction relating to a misspelling in this item.)

Item 446 #2h

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 391, after line 39, insert:

"3. The Director of the Department of Rail and Public Transportation shall work with the Virginia Museum of Transportation to determine the feasibility of providing funding from the Shortline Railway Preservation and Development Program for improvements to a federally-classified shortline rail line located in Roanoke Virginia and transferred to the Museum from Norfolk Southern. The Director shall report on the potential eligibility of the rail line and its proposed projects to the Chairmen of the House Appropriations and Senate Finance Committees

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no later than November 1, 2018."

Explanation:

(This amendment directs DRPT to investigate the eligibility of a rail line formerly owned by Norfolk Southern for grants from the Shortline Railway Preservation and Development Program.)

Item 452 #1h

Transportation

Department of Transportation

Language

Language:

Page 395, at the beginning of line 17, insert "A."

Page 395, after line 18, insert:

"B. The Department of Transportation is directed to reevaluate the algorithm used to set the variable toll rate on Interstate 66 inside the Capitol Beltway as a method of reducing toll rates by reducing the minimum designed travel speed to the greatest extent possible while remaining in compliance with federal law and regulation governing the operation of High Occupancy Toll lanes. Such evaluation shall be completed and any necessary changes shall be implemented by July 1, 2018. The Secretary of Transportation shall report to the Chairmen of the House Appropriations and Senate Finance Committees no later than December 1, 2018 on the effects that the change in the design speed used in the algorithm has had on average toll rates on the facility."

Explanation:

(This amendment directs the Department of Transportation to reevaluate the algorithm utilized to determine the variable toll rate on I-66 "Inside the Beltway" to lower the optimum travel speed and thus lower tolls to the extent allowed under federal law.)

Item 452 #2h

Transportation

Department of Transportation

Language

Language:

Page 395, at the beginning of line 17, insert "A."

Page 395, after line 18, insert:

"B. The Department of Transportation is directed to implement dynamic congestion-priced

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tolling on reverse commuter routes on Interstate 66 inside the Capitol Beltway in conjunction with the completion of the I-66 widening project from the Dulles Connector Road to Fairfax Drive."

Explanation:

(This amendment directs the Department of Transportation to implement "reverse commuter" tolling in I-66 "Inside the Beltway" coincident with the completion of the I-66 widening project which will add an additional travel lane on eastbound I-66 from the Dulles Connector Road to Fairfax Drive (Exit 71).)

Item 453 #1h

Transportation

FY18-19

FY19-20

Department of Transportation

(\$50,533,333)

(\$50,833,333) NGF

Language:

Page 395, line 20, strike "\$1,055,137,057" and insert "\$1,004,603,724".

Page 395, line 20, strike "\$1,048,970,884" and insert "\$998,137,551".

Page 395, line 28, strike "\$415,033,333" and insert: "\$364,500,000".

Page 395, line 28, strike "\$408,133,333" and insert: "\$357,300,000".

Page 396, strike lines 13 through 32.

Explanation:

(This amendment removes funding for WMATA that mirrored the introduced version of House Bill 1319. Alternate legislation has been adopted that contains different funding mechanisms. Once legislative agreement has been finalized, the appropriate funding levels will be included in the conference report for the budget. This amendment only impacts the NVTa funding levels, the introduced budget did not recognize the additional funding accruing to the HRTAC, which also will be added if the gas tax floor is imposed in the regions.)

Item 453 #2h

Transportation

Department of Transportation

Language

Language:

Page 396, after line 32, insert:

"F. From the amounts provided to the City of Virginia Beach in this item in accordance with § 33.2-319, Code of Virginia, \$3,000,000 the first year shall be allocated to the installation of a

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sound barrier along Highway 13 from Route 225 to the entrance to Little Creek Reservoir."

Explanation:

(This amendment directs the use of \$3.0 million of the amounts provided to the City of Virginia Beach for urban system maintenance to be used for the installation of a sound barrier along Highway 13.)

| | | | |
|-------------------------|----------------|----------------|----|
| | | Item 461 #1h | |
| Transportation | FY18-19 | FY19-20 | |
| Virginia Port Authority | (\$2,000,000) | (\$2,000,000) | GF |

Language:

Page 404, line 29, strike "\$6,530,725" and insert "\$4,530,725".
 Page 404, line 29, strike "\$6,531,925" and insert "\$4,531,925".
 Page 404, line 48, strike "Out of this appropriation" and insert:
 "Of the amounts authorized in Item 103 A.1."
 Page 404, line 49, strike "shall" and insert "may".

Explanation:

(This amendment removes \$2.0 million from the general fund each year that is proposed for the Port Economic Development Zone Grant Funds and replaces it with authorization to utilize a like amount from the Commonwealth Opportunity Fund should appropriate projects eligible for these grants come available. This has been the practice for the past two years.)

| | | | |
|-------------------------|----------------|------------------|-----|
| | | Item C-40.10 #1h | |
| Transportation | FY18-19 | FY19-20 | |
| Virginia Port Authority | \$330,000,000 | \$0 | NGF |

Language:

Page 444, after line 34, insert:

| | | | |
|--|---------------|-------|--|
| "C-40.10 Improvements: Harbor Widening and Deepening | \$330,000,000 | \$0 | |
| Fund Sources: Bond Proceeds | \$330,000,000 | \$0 " | |

Page 444, after line 34, insert:

"That pursuant to § 2.2-2263 of the Code of Virginia, the Virginia Public Building Authority is authorized to issue bonds in an aggregate amount not to exceed \$330,000,000 plus amounts needed to fund issuance costs, reserve funds, original issue discount, interest prior to and during acquisition, construction, or renovation and for one year after completion thereof, and other

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financing expenses. The proceeds of such bonds shall be used to fund capital projects related to the Port Harbor Widening and Deepening. The General Assembly hereby appropriates the proceeds from any such bonds for the projects listed in this enactment. Debt service on projects contained in this enactment shall be provided from appropriations to the Treasury Board.

Explanation:

(This amendment authorizes the projects associated with the improvements to the Port Harbor Widening and Deepening. Planning funds for this project is provided as part of Item C-36 of this act.)
