



# Report of the Subcommittee on Transportation

Senate Finance &  
Appropriations Committee  
Virginia General Assembly

February 5, 2023



SENATE OF VIRGINIA

Senate Finance & Appropriations Committee

**2023 Report of the Transportation Subcommittee  
The Honorable George L. Barker, Chair  
February 5, 2023**

Madam Chair and Members of the Committee,

Your Transportation Subcommittee has reviewed the Governor's introduced budget for the Office of Transportation. Last year, the General Assembly was able to dedicate funding towards several high priority transportation projects. I am pleased that our investment in making it safer and easier for Virginians to travel the state is paying significant dividends. Major projects such as opening Interstate 66 outside the Beltway and widening Interstate 64 are being completed, and others are well underway. Our proposed amendments allow us take advantage of present opportunities and chart a course for future successes. Subcommittee highlights include:

- From contingent amounts, \$250.0 million for high priority capital improvement projects to Interstate 81 in the Staunton area. These projects have been identified in the I-81 Capital Improvement Plan to address delays, prevent crashes, and provide jobs.
- \$10.0 million to complete planning, design, and site acquisition to develop an inland port facility in the Mount Rodgers Planning District, the area of the state that was identified as being well positioned for the transfer of cargo coming from the coast;
- \$7.5 million to construct a cruise ship port-of-call pier and related visitor support and tourism facilities on the York River;
- \$1.0 million for hanger construction at the Mid-Atlantic Regional Spaceport; and

- Improve transit accessibility and increase zero-emission transit fleets through additional flexibility in the Transit Ridership Incentive Fund.

In addition to making improvements today, it is important to make long term plans for transportation. The Subcommittee budget amendments partially reverse a portion of the proposed transfer from the Commonwealth Transportation Fund to the Transportation Partnership Opportunity Fund. This will ensure there are sufficient resources to quickly respond to economic development opportunities while protecting funds designated for making our highways and streets safer, providing transit services, and maintaining our transportation infrastructure.

This completes the report of your Transportation Subcommittee. I hope it will be the pleasure of the Committee to adopt our amendments.

**Report of the Subcommittee on Transportation**  
(Recommended Amendments to SB 800, As Introduced)

**General Fund**

| Amendment |   | SB 800          |               |               |
|-----------|---|-----------------|---------------|---------------|
|           |   | FY 2023         | FY 2024       | Biennium      |
| 1         | <b>Transportation</b>                                   |                 |               |               |
| 2         | <b>Secretary of Transportation</b>                      |                 |               |               |
| 3         | Assessment of Foregone Sales Tax Revenue                | <i>Language</i> |               |               |
| 4         | Disadvantaged Business Enterprise Study                 | <i>Language</i> |               |               |
| 5         | <b>Virginia Commercial Flight Authority</b>             |                 |               |               |
| 6         | Eastern Shore Hanger Construction                       |                 | \$ 1,000,000  | \$ 1,000,000  |
| 7         | Disbursement of Funds for Certain Expenses              | <i>Language</i> |               |               |
| 8         | <b>Department of Rail and Public Transportation</b>     |                 |               |               |
| 9         | SB 1326: Transit Rider Incentive Program                | <i>Language</i> |               |               |
| 10        | <b>Department of Transportation</b>                     |                 |               |               |
| 11        | Mobility Talks International                            | <i>Language</i> |               |               |
| 12        | I-81 Corridor Improvement Program Plan Commitment       | <i>Language</i> |               |               |
| 13        | Wildlife Elk Crossing Project                           | <i>Language</i> |               |               |
| 14        | Transportation Partnership Opportunity Fund             | <i>Language</i> |               |               |
| 15        | Powhite Parkway Extension Work Group                    | <i>Language</i> |               |               |
| 16        | <b>Virginia Port Authority</b>                          |                 |               |               |
| 17        | Mount Rodgers Planning District Inland Port Development |                 | \$ 10,000,000 | \$ 10,000,000 |
| 18        | Support York County Cruise Ship Location                |                 | \$ 7,500,000  | \$ 7,500,000  |
| 19        | <i>Various language amendments</i>                      | <i>Language</i> |               |               |
| 20        | <b>Total</b>  | \$ -            | \$ 18,500,000 | \$ 18,500,000 |

**Disbursement of Funds for Certain Expenses**

**Transportation**

Virginia Commercial Space Flight Authority

Language

**Language:**

Page 529, after line 23, insert:

"Notwithstanding any provision of paragraph T of Item 112 of Chapter 1 of the Acts of Assembly of 2022, Special Session I, to the contrary, approval from the National Aeronautics and Space Administration for a Return to Pad Landing by the guided missile and space vehicle parts manufacturing company described in such paragraph shall not be required to disburse funds to the Virginia Commercial Space Flight Authority pursuant to such paragraph."

**Explanation:**

(This amendment clarifies the sequence of approvals prior to disbursement of funds provided in Item 112 of Chapter 1, 2022 Acts of Assembly, for an authorized MEI project.)

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**Mount Rogers Planning District Inland Port Development**

| <b>Transportation</b>   | <b>FY22-23</b> | <b>FY23-24</b> |    |
|-------------------------|----------------|----------------|----|
| Virginia Port Authority | \$0            | \$10,000,000   | GF |

**Language:**

Page 550, line 8, strike "\$11,830,786" and insert "\$21,830,786".

Page 552, after line 51, insert:

"D. Out of the appropriation in this Item, \$10,000,000 in the second year from the general fund shall be used for preliminary planning for an inland port in the Mount Rogers Planning District. As part of the planning process, The Virginia Port Authority shall develop cost estimates for land acquisition, construction, equipment, and other costs deemed necessary to support the establishment of an inland port. The Virginia Port Authority shall inform the Secretary of Transportation and the Chairs of the House Appropriations and Finance and Senate Finance and Appropriations Committees about the progress of this planning process by November 1, 2023. The Virginia Port Authority shall engage in negotiations with necessary parties, including railroads and beneficial cargo owners, for the development of an inland port. The Virginia Port Authority may collaborate with Virginia Department of Rail and Public Transportation, Virginia Department of Transportation, the Virginia Economic Development Partnership, and any federal, state, or local agencies as may be necessary to support the development of the inland port."

**Explanation:**

(This amendment provides \$10.0 million GF in FY 2024 for preliminary planning related to establishment of an inland port in the Mount Rogers Planning District.)

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**Support York County Cruise Ship Location**

| <b>Transportation</b>   | <b>FY22-23</b> | <b>FY23-24</b> |    |
|-------------------------|----------------|----------------|----|
| Virginia Port Authority | \$0            | \$7,500,000    | GF |

**Language:**

Page 552, line 18, strike "\$11,612,325" and insert "\$19,112,325".

Page 552, after line 51, insert:

"D.1. Out of the appropriation in this item, \$7,500,000 the second year from the general fund shall be provided to the Economic Development Authority of York County for support of a cruise ship port-of-call location and related visitor support and tourism on the York River at Yorktown, Virginia. Prior to the award of any funds included in this Item, the Secretary of Commerce and Trade and the Secretary of Transportation shall ensure that: (i) there is an agreement with at least one cruise ship company for calls at the pier location beginning in 2023; (ii) a working group is convened among state and local agencies related to the permitting of the pier location to facilitate its development; (iii) there is outreach to tourism and other stakeholders in the region to maximize the economic impact of the pier location; (iv) the agreement will result in a positive return to the state for its investment; and (v) there is a plan to maximize philanthropic support, federal matching funds, and other funding necessary to construct and maintain the pier location. Following the completion of these items and the final approval from the Secretary of Commerce and Trade and Secretary of Transportation, the funds shall be awarded. The Secretaries shall enter into a memorandum of understanding with the Economic Development Authority of York County to outline the framework for the funding, design, procurement, and construction of the pier location, a plan for its ongoing maintenance, and to maximize the economic and tourism benefits of this facility to the Commonwealth.

D.2. Should the Secretary of Commerce and Trade and the Secretary of Transportation fail to recommend proceeding with the development of the pier location, the funds in paragraph D.1. shall revert to the general fund."

**Explanation:**

(This amendment provides \$7.5 million GF in FY 2024 for the York County Cruise Line Tourism Project in support of the initial phase of a major cruise line tourism commitment to Yorktown.)

Respectfully Submitted,

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The Honorable George L. Barker, Chair

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The Honorable Richard L. Saslaw

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The Honorable Emmett W. Hanger, Jr.

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The Honorable Stephen D. Newman

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The Honorable R. Creigh Deeds

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The Honorable David W. Marsden

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The Honorable Jennifer L. McClellan