



Preliminary FY 2025 – 2030 Commonwealth Transportation Fund (CTF) Six-Year Financial Plan

Laura Farmer, Chief Financial Officer

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Transportation Revenue Update

❑ State Revenue Update

- ❑ The Virginia Department of Taxation provides the revenue estimates for the Commonwealth Transportation Fund and other state revenue sources dedicated to regional entities or funds.
- ❑ The December revenue forecast updates expected impacts to revenues through FY 2030
 - ❑ Due to assumed economic outlook, transportation revenues have been reduced by \$405.5 million through FY 2029, or 1.3%



Transportation Revenue Update

- ❑ **December revenue forecast includes the estimated revenues directed to transportation from the Governor’s 2024 Tax Policy Proposal**
 - ❑ Per the Tax Policy Proposal, the amount attributable to the additional sales and use tax revenue generated by taxable services and digital personal property and distributed to the Commonwealth Transportation Fund would be directed as an off the top distribution as follows:
 - ❑ One-half to Transportation Partnership Opportunity Fund
 - ❑ One-half to Interstate 81 Corridor Improvement Fund until June 30, 2031, or such time as the total of \$400 million has been provided for I-81.
 - ❑ This allocation is included in the SYFP assumptions and in the Construction Program as the proposal is under consideration

(in millions)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Estimated Impact of Tax Policy Change	\$43.7	\$109.6	\$114.9	\$120.0	\$125.5	\$131.1	\$133.7	\$136.4
TPOF	21.9	54.8	57.5	60.0	62.8	65.6	66.9	68.2
I-81	21.9	54.8	57.5	60.0	62.8	65.6	66.9	10.7

TAX forecast through FY 2030, 2% growth beyond. Under these assumptions, I-81 receives \$400 million by FY 2032



Commonwealth Transportation Fund (CTF) Revenue Estimate

(in millions)

Sources of Funds	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total FY 2025-2030
Retail Sales and Use Tax	\$ 1,372.1	\$ 1,392.2	\$ 1,452.4	\$ 1,508.7	\$ 1,564.6	\$ 1,619.3	\$ 1,671.1	\$ 9,208.3
<i>Retail - Governor's Tax Policy Proposal</i>	-	43.7	109.6	114.9	120.0	125.5	131.1	644.8
Motor Vehicle Sales and Use Tax	1,178.9	1,193.5	1,220.6	1,215.2	1,209.9	1,202.4	1,199.4	7,241.0
Motor Fuels Tax	1,450.8	1,504.3	1,554.6	1,599.8	1,644.6	1,689.4	1,733.0	9,725.7
Aviation Fuels Tax	2.0	2.0	2.0	2.0	2.0	2.0	2.0	12.0
Road Tax	85.4	85.1	82.9	84.0	83.8	83.5	83.2	502.5
International Registration Plan	114.1	119.6	120.0	120.3	120.7	121.0	121.4	723.0
Registration Fees	225.6	219.5	221.9	220.3	222.3	222.7	226.4	1,333.1
State Insurance Premium Tax	217.8	221.3	220.2	224.2	227.2	230.6	234.2	1,357.7
Recordation Tax	52.5	55.9	56.0	56.0	58.5	61.5	63.9	351.8
Vehicle Rental Tax	41.9	41.5	42.1	42.2	42.2	42.2	42.2	252.4
Highway Use Fee	61.8	65.4	67.9	68.5	69.2	69.9	70.6	411.5
Total Commonwealth Transportation Fund	\$ 4,802.9	\$ 4,944.0	\$ 5,150.2	\$ 5,256.1	\$ 5,365.0	\$ 5,470.0	\$ 5,578.5	\$ 31,763.8

December 2023 Forecast; Rental Tax excludes share dedicated to WMATA Capital; Retail Sales and Use Tax entry for Governor's Tax Policy Recommendation for General Assembly Consideration



Transportation Revenue Estimate Updates

Revenue changes to the CTF since prior assumptions*

Details of Differences	(in millions)							Total
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029		
Retail Sales and Use Tax	\$ (16.1)	\$ (43.2)	\$ (20.3)	\$ 22.7	\$ 62.4	\$ 77.9	\$ 83.4	
<i>Retail - Governor's Tax Policy Proposal</i>		43.7	109.6	114.9	120.0	125.5	513.7	
Motor Vehicle Sales and Use Tax	100.7	(24.7)	(29.0)	(54.2)	(75.0)	(77.2)	(159.4)	
Motor Fuels Tax	(48.7)	(56.9)	(57.1)	(57.6)	(56.5)	(54.8)	(331.6)	
Aviation Fuels Tax	-	-	-	-	-	-	-	
Road Tax	14.2	13.1	10.2	10.3	10.3	10.3	68.4	
International Registration Plan	(4.1)	-	-	-	-	-	(4.1)	
Registration Fees	7.2	-	0.5	(0.7)	0.9	0.9	8.8	
State Insurance Premium Tax	3.3	(2.2)	(15.0)	(22.2)	(28.8)	(25.4)	(90.3)	
Recordation Tax	0.1	1.4	(0.7)	(3.0)	(2.8)	0.2	(4.8)	
Vehicle Rental Tax	3.1	3.1	3.7	3.8	3.1	2.5	19.3	
Highway Use Fee	(2.6)	(0.9)	(0.4)	0.2	0.9	1.6	(1.2)	
Miscellaneous Revenues to HMOF	1.0	1.0	1.0	1.0	1.0	1.0	6.0	
Total	\$ 58.1	\$ (65.6)	\$ 2.5	\$ 15.2	\$ 35.5	\$ 62.5	\$ 108.2	
Total without Tax Policy Proposal	\$ 58.1	\$ (109.3)	\$ (107.1)	\$ (99.7)	\$ (84.5)	\$ (63.0)	\$ (405.5)	

*Changes from estimates adopted in June 2023 based on December 2022 Revenue Forecast



Commonwealth Transportation Fund (CTF) Preliminary Fiscal Years 2025 – 2030 Six-Year Financial Plan Overview

- ❑ The Six-Year Financial Plan (SYFP) identifies the planned funding for allocation to Highways, Rail, Transit, Ports, Aviation, DMV, and Space Flight
- ❑ The Preliminary Fiscal Years 2025 – 2030 SYFP allocates \$54.9 billion
- ❑ Includes the use of \$750 million of Route 58 Corridor Bonds and I-81 Debt
- ❑ Transfers \$6.1 billion to the three regions for transportation improvements
- ❑ Includes \$577 million of dedicated fuel tax revenue for the I-81 Corridor Improvements
- ❑ Dedicates \$16.0 billion for Maintenance and Operations
- ❑ Provides \$17.8 billion for Construction

Approximately \$3.0 billion of Construction Funding represents Local and Regional Funding for Projects



Commonwealth Transportation Fund Preliminary Fiscal Years 2025 – 2030 Six-Year Financial Plan Estimated Revenues (in millions)

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2025-2030 Total	Previous FY 2024-2029	Difference
State Transportation Revenues									
Commonwealth Transportation Fund	\$ 5,001.7	\$ 5,150.2	\$ 5,256.1	\$ 5,365.0	\$ 5,470.0	\$ 5,578.5	\$ 31,821.5	\$ 30,944.2	\$ 877.3
General Fund	-	-	-	-	-	-	-	110.0	(110.0)
Prior year funding	-	-	-	-	-	-	-	-	-
Local & Regional Project Participation/Revenue	1,198.5	510.3	823.5	204.3	183.5	179.9	3,100.0	4,214.5	(1,114.5)
Other Fund Revenue	445.0	433.3	441.4	443.0	449.3	457.3	2,669.4	2,721.7	(52.3)
Total	6,645.2	6,093.8	6,521.0	6,012.4	6,102.8	6,215.8	37,590.9	37,990.5	(399.5)
Federal Revenues	1,635.4	1,647.8	1,538.5	1,567.9	1,598.0	1,628.6	9,616.3	9,584.5	31.8
Total Revenues	8,280.6	7,741.7	8,059.5	7,580.3	7,700.8	7,844.4	47,207.3	47,575.0	(367.8)
Other Financing Sources									
Interstate 81 Financing	-	272.9	251.4	-	-	-	524.3	762.2	(237.9)
GARVEE Bonds	-	-	-	-	-	-	-	-	-
Route 58	152.2	74.2	-	-	-	-	226.4	226.4	-
Total	152.2	347.1	251.4	-	-	-	750.7	988.6	(237.9)
Total Operating Revenues and Other Financing Sources	\$ 8,432.8	\$ 8,088.8	\$ 8,310.9	\$ 7,580.3	\$ 7,700.8	\$ 7,844.4	\$ 47,958.0	\$ 48,563.6	\$ (605.6)
Revenue Supporting Transfer Payments									
Regional Transportation Funds	865.5	974.5	1,010.5	1,048.5	1,083.7	1,114.7	6,097.4	5,958.2	139.2
WMATA Capital Fund Revenue	132.1	135.8	137.8	141.8	144.4	145.5	837.5	913.3	(75.8)
Grand Total	\$ 9,430.5	\$ 9,199.1	\$ 9,459.2	\$ 8,770.6	\$ 8,928.9	\$ 9,104.6	\$ 54,892.9	\$ 55,435.1	\$ (542.2)



Does not include General Fund Proposals for Transportation

Commonwealth Transportation Fund Preliminary Fiscal Years 2025 – 2030 Six-Year Financial Plan Estimated Allocations (in millions)

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2025-2030 Total	2024-2029 SYFP	Difference
Debt Service	\$ 395.5	\$ 416.7	\$ 422.8	\$ 451.1	\$ 476.2	\$ 453.0	\$ 2,615.2	\$ 2,557.3	\$ 57.9
Other Agencies & Transfers	54.0	54.3	55.6	55.9	57.3	57.6	334.8	307.5	27.3
Maintenance & Operations	2,695.2	2,575.7	2,629.1	2,683.6	2,681.8	2,737.3	16,002.8	16,190.2	(187.4)
Administration & Other Programs	618.6	593.7	606.1	618.3	630.8	640.3	3,707.9	3,586.0	121.9
Toll Programs	97.4	98.3	99.3	100.3	100.6	101.6	597.6	622.9	(25.3)
Special Structures	85.0	86.7	88.6	90.4	92.3	94.3	537.3	540.6	(3.2)
Public Transportation	614.6	618.0	630.2	644.8	658.9	677.8	3,844.3	4,015.3	(170.9)
Virginia Passenger Rail Authority	204.6	205.6	207.5	213.4	174.8	179.9	1,185.8	1,185.6	0.1
DRPT Rail Assistance	15.7	15.7	16.0	16.2	16.5	16.8	96.9	95.9	1.0
DRPT Administration	20.5	20.9	21.3	21.7	22.0	22.6	129.0	126.8	2.3
Port Trust Fund	59.6	60.0	61.2	62.4	63.6	65.5	372.4	369.5	2.9
Airport Trust Fund	35.9	36.1	36.8	37.6	38.3	39.4	224.0	222.3	1.7
Commonwealth Space Flight Fund	23.5	23.6	24.1	24.6	25.1	25.8	146.6	145.4	1.2
Department of Motor Vehicles	23.4	23.6	24.1	24.6	25.1	25.8	146.6	145.5	1.0
Construction	3,445.7	3,219.7	3,348.2	2,495.3	2,597.5	2,666.6	17,773.1	18,211.5	(438.5)
Total Operating Programs	\$ 8,389.1	\$ 8,048.8	\$ 8,270.9	\$ 7,540.3	\$ 7,660.8	\$ 7,804.4	\$ 47,714.3	\$ 48,322.3	\$ (608.0)
Pass Through Programs									
WMATA Capital Fund	152.1	155.8	157.8	161.8	164.4	165.5	957.5	1,033.3	(75.8)
Central Virginia Transportation Fund	202.4	231.1	239.6	248.0	256.2	262.9	1,440.2	1,486.4	(46.2)
Northern Virginia Transportation Authority Fund	396.9	442.9	459.6	478.3	494.9	509.2	2,781.8	2,642.7	139.1
Hampton Roads Regional Transit Fund	38.2	38.8	39.2	39.8	40.0	40.3	236.3	234.8	1.5
Hampton Roads Transportation Fund	251.7	281.7	292.1	302.4	312.6	322.3	1,762.8	1,715.6	47.2
Subtotal	1,041.3	1,150.3	1,188.3	1,230.3	1,268.1	1,300.2	7,178.6	7,112.8	65.8
Total	\$ 9,430.5	\$ 9,199.1	\$ 9,459.2	\$ 8,770.6	\$ 8,928.9	\$ 9,104.6	\$ 54,892.9	\$ 55,435.1	\$ (542.2)



MPO Programmed Funding (RSTP/CMAQ) reflected in Construction in Draft 2025-2030 Allocations; Distribution reflected in Final SYIP

2024 Legislative Recommendations in Governor's Proposed Budget Bill

- ❑ **2024 Budget Bill contains recommendations for transfer of funds to the Transportation Partnership Opportunity Fund (TPOF)**
 - ❑ ***Item 438, K. - Requires the CTB to provide at least \$200 million to TPOF out of revenue of the Commonwealth Transportation Fund in the Six-Year Financial Plan adopted prior to July 1, 2023 for fiscal years 2025 through 2030***
 - ❑ *For planning purposes, this dedication is assumed in the Six-Year Financial Plan (SYFP) as \$50 million annually, FY 2026 – 2029 off the top of the CTF and allocated to the Construction Program.*
 - ❑ ***\$20 million in General Fund is recommended for TPOF (Not in draft SYFP)***
- ❑ ***\$70 million in General Fund for I-81 Northbound Lane Widening Project from Mile Marker 116 to 128 in Salem District (Not in draft SYFP)***



VDOT Program Updates

Paving needed to advance performance targets indicates a need provide additional funding for FY 2025

- **Includes one-time additional allocation for VDOT Maintenance Program of \$120 million**
- **Corresponding share of localities is \$27.7 million**
- **Continued monitoring through contract awards to ensure funding will be sufficient for commitments; potential for additional adjustment**

Inflation Rate Updates

The CPI rates used for non-construction programs were updated to an average of 2.3% over the period. This is the same as the previous period's average growth rates.

Assumptions for Highway Construction Programs

- Revenue Sharing Program - Funds available in FYs 2025 – 2030 are \$100 million annually
- The Innovation and Technology Transportation Fund (ITTF) funding from the High Priority Projects Program is \$25 million annually
- Unpaved Roads funding is \$25 million annually from the District Grant Program

Assumptions for Highway Construction Programs

State of Good Repair – 30%

	(in millions)						
	2025	2026	2027	2028	2029	2030	TOTAL
State of Good Repair Allocation	\$347.9	\$411.1	\$417.5	\$426.5	\$457.7	\$489.1	\$2,549.7
<i>Difference from Previous Assumptions</i>	(38.3)	(0.9)	(2.8)	(4.7)	(2.3)	\$489.1	\$440.1

Assumptions for Highway Construction Programs

Interstate Operations and Enhancement Program (IOEP) – 20%

		(in millions)								
	Share of Truck VMT	2025	2026	2027	2028	2029	2030	TOTAL	FY 2024-2029 SYFP Total	Difference
Interstate 81 – Fuel Tax available	N/A	\$80.7	\$78.7	\$84.1	\$63.4	\$75.9	\$78.0	\$460.7	\$473.4	(\$12.6)
Interstate 81	43.9%	101.8	120.3	122.2	124.8	133.9	124.8	727.9	700.1	27.8
NVTA	8.7%	20.2	23.8	24.2	24.7	26.5	28.4	147.9	141.0	6.8
Interstate 95	18.4%	42.7	50.4	51.2	52.3	56.1	52.3	305.0	289.4	15.6
Interstate 64	10.7%	24.8	29.3	29.8	30.4	32.7	30.4	177.5	176.9	0.6
Interstate Improvements	18.3%	42.4	50.1	50.9	52.0	55.8	52.0	303.4	295.3	8.2
Difference from Previous Assumptions										
Interstate 81 – Fuel Tax available	N/A	(5.0)	(1.2)	(1.3)	(1.4)	(1.4)	\$78.0	67.7		
Interstate 81	43.7%	(10.7)	0.3	(0.2)	(0.8)	(0.0)	124.8	113.5		
NVTA	8.8%	(2.5)	(0.3)	(0.4)	(0.6)	(0.4)	28.4	24.1		
Interstate 95	18.0%	(3.8)	0.8	0.6	0.4	.0.8	52.3	51.1		
Interstate 64	11.0%	(3.6)	(1.0)	(1.1)	(1.3)	(1.2)	30.4	22.3		
Interstate Improvements	18.5%	(5.0)	(0.4)	(0.7)	(0.9)	(0.7)	52.0	44.3		

Assumptions for Highway Construction Programs

Virginia Highway Safety Improvement Program (VHSIP) – 10%

	(in millions)								
	2025	2026	2027	2028	2029	2030	TOTAL	FY 2024-2029 SYFP Total	Difference
Safety Allocation	\$116.0	\$137.0	\$139.2	\$142.2	\$152.6	\$163.0	\$849.9	\$801.3	\$48.6
<i>Difference from Previous Assumptions</i>	(12.8)	(0.3)	(0.9)	(1.6)	(0.8)	163.0	146.7		

Assumptions for Highway Construction Programs

High Priority Projects Program (HPPP) – 20%

	(in millions)						
	2025	2026	2027	2028	2029	2030	TOTAL
High Priority Projects Program (HPPP)	\$231.9	\$274.0	\$278.3	\$284.3	\$305.1	\$326.1	\$1,699.8
<i>Difference from Previous Assumptions</i>	(25.5)	(0.6)	(1.8)	(3.2)	(1.6)	301.1*	\$268.4

**Removes/reserves ITTF Allocation of \$25 million from Difference in FY 2030*

Assumptions for Highway Construction Programs

District Grant Program (DGP) – 20%

	(in millions)						
	2025	2026	2027	2028	2029	2030	TOTAL
District Grant Program (DGP)							
Formula Distribution	\$231.9	\$274.0	\$278.3	\$284.3	\$305.1	\$326.1	\$1,699.8
Supplemental DGP Funding from Fuel Tax Revenue	\$137.0	\$122.8	\$126.3	129.8	132.7	135.5	\$784.1
Subtotal – DGP	\$368.9	\$396.8	\$404.6	\$414.1	\$437.8	\$461.6	\$2,483.9
<i>Difference from Previous Assumptions</i>							
<i>Formula Distribution</i>	(25.5)	(0.6)	(1.8)	(3.2)	(1.6)	301.1*	\$268.4
<i>Supplemental DGP Funding from Fuel Tax Revenue</i>	12.2	(5.9)	(6.0)	(6.0)	(6.1)	135.5	\$123.7
	(13.3)	(6.5)	(7.8)	(9.2)	(7.7)	436.6	\$392.1

***Removes/reserves Unpaved Roads Allocation of \$25 million from Difference in FY 2030**

Next Steps

- Monitor actions by 2024 General Assembly and impact to transportation funding and spending**

- Future Updates**
 - Monitor federal activity for full-year obligation authority and August Redistribution anticipated; potential for federal revenue update**



