Legislative Update

Nick Donohue
March 17, 2020
Key Transportation Legislation

• Governor’s Omnibus transportation package
  – HB1414 (Filler-Corn) / SB890 (Saslaw)

• Central Virginia Transportation Authority
  – HB1541 (McQuinn)

• Hampton Roads Transit Regional Transit Program
  – HB1726 (Askew) / SB1038 (Lucas)

• Transportation Safety
  – HB1439 (Jones) / SB907 (Lucas)
Governor’s Omnibus Transportation Package (HB1414 Filler-Corn / SB890 Saslaw)

- Conference Report passed both chambers
  - 54 to 43 in the House
  - 23 to 16 in the Senate

- Conferees from House and Senate:
  - McQuinn, Jones, Knight, Watts, Sullivan
  - Saslaw, Marsden, Barker, Norment, Hanger
Statewide Revenue Sources

- Raises the gas tax by 5 cents a year for 2 years
- Indexes the gas and diesel tax to CPI instead of the sales price of fuel
- Creates a new Highway Use Fee on fuel-efficient vehicles – a tiered fee based on fuel economy
- Cut most passenger vehicle registration fees by $10
Regional Funding Sources

• Indexes the regional fuels taxes to CPI instead of the sales price of fuel

• Imposes the regional fuels tax in all areas of the Commonwealth where it is not imposed to be used for the District Grant Program
  – Generates ~$119M in FY24, excluding Richmond area where funds would flow to the new Central Virginia Transportation Authority
  – For counties with the 81 regional fuels tax but through which I-81 does not run the funds will now go to their District Grant Program in SMART SCALE
Regional Funding Sources

• Provides $50M annually to the Northern Virginia Transportation Authority
  – ~$30M from Grantor’s Tax of $0.10 per $100 of assess value
    – Existing $0.05 per $100 Grantor’s Tax is redirected from WMATA Capital Fund
      – WMATA Capital Fund held harmless with a 1% increase in the transient occupancy tax
    – Increase of $0.05 per $100 Grantor’s Tax
  – $20M off-the-top from the Commonwealth Transportation Fund
# Statewide Revenues

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Fuels Tax</td>
<td>200.7</td>
<td>400.5</td>
<td>445.3</td>
<td>481.6</td>
<td>517.7</td>
<td>554.2</td>
<td>2,600.0</td>
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<tr>
<td>Highway Use Fee</td>
<td>39.9</td>
<td>49.3</td>
<td>51.8</td>
<td>54.4</td>
<td>57.1</td>
<td>60.0</td>
<td>312.5</td>
</tr>
<tr>
<td>Registration Fee Reduction</td>
<td>(80.7)</td>
<td>(81.4)</td>
<td>(81.8)</td>
<td>(81.7)</td>
<td>(81.7)</td>
<td>(81.7)</td>
<td>(489.0)</td>
</tr>
<tr>
<td><strong>Gross Total</strong></td>
<td>159.9</td>
<td>368.4</td>
<td>415.3</td>
<td>454.3</td>
<td>493.1</td>
<td>532.5</td>
<td>2,423.5</td>
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<tr>
<td>Route 58/NTVD</td>
<td>(81.0)</td>
<td>(81.0)</td>
<td>(80.0)</td>
<td>(80.0)</td>
<td>(80.0)</td>
<td>(80.0)</td>
<td>(482.0)</td>
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<tr>
<td>DMV</td>
<td>(5.0)</td>
<td>(5.0)</td>
<td>(5.0)</td>
<td>(5.0)</td>
<td>(5.0)</td>
<td>(5.0)</td>
<td>(30.0)</td>
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<tr>
<td><strong>Net Statewide Total</strong></td>
<td>73.9</td>
<td>282.4</td>
<td>330.3</td>
<td>369.3</td>
<td>408.1</td>
<td>447.5</td>
<td>1,911.5</td>
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</table>

## Other Regional Fuels Tax

<table>
<thead>
<tr>
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<th>FY21</th>
<th>FY22</th>
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<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Grant Program **</td>
<td>106.2</td>
<td>115.4</td>
<td>116.9</td>
<td>118.8</td>
<td>120.8</td>
<td>123.2</td>
<td>701.3</td>
</tr>
</tbody>
</table>
Highway Use Fee
Chapter 7 of Title 46.2 (46.2-770 et seq.)

• Imposes a fee on fuel efficient, alternative fuel and electric vehicles

• Fee is based on 85% of the difference between fuel tax paid by the average vehicle (23.7 miles per gallon) and the fuel tax paid by the fuel-efficient vehicle
  – Assumes average miles traveled by passenger vehicles in Virginia and the manufacturers combined fuel economy

• Fee is paid at the time of registration

• Repeals $64 vehicle license tax for electric vehicles
Mileage-Based User Fee Program
Chapter 7 of Title 46.2 (46.2-770 et seq.)

• Voluntary program for vehicles subject to the Highway Use Fee

• Vehicle owner would pay a per mile fee capped at the applicable Highway Use Fee
  – Per mile fee would be determined by dividing the applicable Highway Use Fee by the average number of miles traveled by passenger vehicles in Virginia

• Program becomes effective July 1, 2022
Mileage-Based User Fee Program
Chapter 7 of Title 46.2 (46.2-770 et seq.)

• DMV Commissioner is directed to establish a workgroup in the development of the program, including—
  – Protection of personal information
  – Methods to record and report miles traveled
  – Administration of program, and collection of fees

• Interim report is due no later than July 1, 2021
• Final report is due no later than December 15, 2021
• Guidelines issued no later than May 15, 2020
## Gas Taxes versus Gas Prices

<table>
<thead>
<tr>
<th>State</th>
<th>Avg Gas Price</th>
<th>Gas Tax</th>
<th>Delta from VA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia</td>
<td>$2.06</td>
<td>$0.22</td>
<td>--</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>$1.92</td>
<td>$0.20</td>
<td>-$0.02</td>
</tr>
<tr>
<td>Ohio</td>
<td>$1.97</td>
<td>$0.385</td>
<td>+$0.165</td>
</tr>
<tr>
<td>Indiana</td>
<td>$1.98</td>
<td>$0.466</td>
<td>+$0.246</td>
</tr>
<tr>
<td>Kentucky</td>
<td>$2.00</td>
<td>$0.26</td>
<td>+$0.04</td>
</tr>
<tr>
<td>North Carolina</td>
<td>$2.07</td>
<td>$0.363</td>
<td>+$0.143</td>
</tr>
<tr>
<td>Georgia</td>
<td>$2.07</td>
<td>$0.344</td>
<td>+$0.124</td>
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<tr>
<td>Utah</td>
<td>$2.49</td>
<td>$0.311</td>
<td>+$0.091</td>
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<tr>
<td>Connecticut</td>
<td>$2.49</td>
<td>$0.401</td>
<td>+$0.181</td>
</tr>
</tbody>
</table>

Gas taxes shown in cents per gallon and Virginia is shown as weighted average including regional taxes. Average gas prices were pulled from http://gasprices.aaa.com on March 16, 2020.
Today’s transportation funding allocation model: confusing and opaque

New, streamlined allocation model
Commonwealth Transportation Fund

Consists of the following:

- 0.9% retail sales and use tax (of this 0.5% applies to food)
- 4.15% motor vehicle sales and use tax
- All of motor fuels tax, IFTA road tax, and alternative fuels
- Majority of vehicle registration and truck registration fees
- 1/3 of state insurance premiums
- $0.03 recordation tax
- 3% vehicle rental tax
- Highway use fee
Commonwealth Transportation Fund Distribution

• Off-the-top
  – $40M for the Route 58 Corridor Development Fund
  – $40M for the Northern Virginia Transportation District
  – $80M for Special Structures Fund, adjusted annually by CPI-U

• Of remaining funds
  – 51% for the Highway Maintenance and Operating Fund
  – 49% for the Transportation Trust Fund
Commonwealth Transportation Fund and HMOF Distribution

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highway Maintenance and Operating Fund</td>
<td>12.8</td>
<td>49.2</td>
<td>50.4</td>
<td>45.9</td>
<td>83.4</td>
<td>111.2</td>
<td>352.9</td>
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<tr>
<td>Transportation Trust Fund with Special Structures</td>
<td>61.1</td>
<td>233.2</td>
<td>279.9</td>
<td>323.4</td>
<td>324.7</td>
<td>336.3</td>
<td>1,558.7</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>Interstate Pavements</td>
<td>4.8</td>
<td>28.5</td>
<td>29.3</td>
<td>26.7</td>
<td>32.4</td>
<td>33.2</td>
<td>154.9</td>
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<tr>
<td>Secondary Pavements</td>
<td>4.8</td>
<td>10.1</td>
<td>10.4</td>
<td>9.4</td>
<td>8.5</td>
<td>8.7</td>
<td>52.0</td>
</tr>
<tr>
<td>City Street Maintenance</td>
<td>3.2</td>
<td>10.5</td>
<td>10.8</td>
<td>9.8</td>
<td>10.9</td>
<td>11.2</td>
<td>56.4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>12.8</td>
<td>49.2</td>
<td>50.4</td>
<td>45.9</td>
<td>51.9</td>
<td>53.1</td>
<td>263.2</td>
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</table>
Transportation Trust Fund Distribution

• 53% for construction programs
• 23% for the Commonwealth Mass Transit Fund
• 7.5% for the Commonwealth Rail Fund
• 2.5% for the Commonwealth Port Fund
• 1.5% for the Commonwealth Aviation Fund
• 1% for the Commonwealth Space Flight Fund
• 10.5% for the Priority Transportation Fund
• 1% for the Department of Motor Vehicles
Addresses Key Transportation Needs

- Provides additional SMART SCALE funding, particularly in districts without regional funds
- Increases transit funding by 45%
- Funds special structures needs
- Increases safety funding by 33%
- Funds WMATA PRIIA match
- Increases funding for pavement maintenance
## Transportation Trust Fund Distribution of New Revenues

<table>
<thead>
<tr>
<th>Transportation Trust Fund</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Structures</td>
<td>10.0</td>
<td>30.0</td>
<td>80.0</td>
<td>82.1</td>
<td>84.0</td>
<td>86.0</td>
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<td>Construction Fund</td>
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<td>60.0</td>
<td>45.4</td>
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<td>60.3</td>
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<td>120.0</td>
<td>120.0</td>
<td>144.7</td>
<td>146.9</td>
<td>150.9</td>
<td>712.4</td>
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<tr>
<td>Rail Fund</td>
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<td>24.4</td>
<td>32.7</td>
<td>57.4</td>
<td>55.5</td>
<td>56.3</td>
<td>239.2</td>
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<td>Port Fund</td>
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<td>4.0</td>
<td>5.3</td>
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<td>5.8</td>
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<td>Aviation Fund</td>
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<td>1.5</td>
<td>4.6</td>
<td>4.7</td>
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<td>18.1</td>
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<td>Spaceflight Fund</td>
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<td>1.5</td>
<td>5.6</td>
<td>5.7</td>
<td>6.1</td>
<td>21.4</td>
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<tr>
<td>Priority Transportation Fund</td>
<td>(7.8)</td>
<td>(16.7)</td>
<td>(25.0)</td>
<td>(34.1)</td>
<td>(41.4)</td>
<td>(46.9)</td>
<td>(171.9)</td>
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<tr>
<td>DMV</td>
<td>1.0</td>
<td>8.5</td>
<td>8.5</td>
<td>12.5</td>
<td>12.5</td>
<td>12.9</td>
<td>55.9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>61.1</td>
<td>233.2</td>
<td>283.2</td>
<td>323.4</td>
<td>324.7</td>
<td>336.3</td>
<td>1,561.9</td>
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SMART SCALE Round 4
Estimated available funding

<table>
<thead>
<tr>
<th>Project</th>
<th>Estimated Round 4 Funds</th>
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<tr>
<td>High Priority Projects</td>
<td>$859.6M</td>
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<tr>
<td>Bristol DGP</td>
<td>$95.1M</td>
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<tr>
<td>Culpeper DGP</td>
<td>$127.7M</td>
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<tr>
<td>Fredericksburg DGP</td>
<td>$87.0M</td>
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<tr>
<td>Hampton Roads DGP</td>
<td>$181.7M</td>
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<tr>
<td>Lynchburg DGP</td>
<td>$131.0M</td>
</tr>
<tr>
<td>Northern Virginia DGP</td>
<td>$179.8M</td>
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<tr>
<td>Richmond DGP*</td>
<td>$164.9M</td>
</tr>
<tr>
<td>Salem DGP</td>
<td>$134.5M</td>
</tr>
<tr>
<td>Staunton DGP</td>
<td>$84.9M</td>
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* Assumes creation of Central Virginia Transportation Authority
Commonwealth Mass Transit Fund

- Up to $50M off-the-top to WMATA to match the federal PRIIA funds, provided DC, MD and FTA provide their pro-rata shares
- 27% for operating assistance
- 18% for capital purposes
- 46.5% for WMATA
- 6% for the Transit Ridership Incentive Program
- 2.5% for special programs
Commonwealth Mass Transit Fund
Distribution of New Revenues

<table>
<thead>
<tr>
<th>Mass Transit Fund</th>
<th>30.0</th>
<th>120.0</th>
<th>120.0</th>
<th>144.7</th>
<th>146.9</th>
<th>150.9</th>
<th>712.4</th>
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<tr>
<td>PRIIA</td>
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<td>50.0</td>
<td>50.0</td>
<td>50.0</td>
<td>50.0</td>
<td>250.0</td>
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<tr>
<td>Operating</td>
<td>5.0</td>
<td>13.0</td>
<td>13.0</td>
<td>15.8</td>
<td>16.2</td>
<td>17.1</td>
<td>80.1</td>
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<td>Capital</td>
<td>10.0</td>
<td>20.0</td>
<td>20.0</td>
<td>25.9</td>
<td>26.6</td>
<td>27.7</td>
<td>130.2</td>
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<td>WMATA</td>
<td>7.5</td>
<td>17.0</td>
<td>17.0</td>
<td>26.8</td>
<td>27.6</td>
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<td>-</td>
<td>-</td>
<td>1.1</td>
<td>1.1</td>
<td>1.2</td>
<td>3.3</td>
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<tr>
<td>Ridership Incentive (TRIP)</td>
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<td>20.0</td>
<td>25.1</td>
<td>25.4</td>
<td>25.8</td>
<td>123.8</td>
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</table>
Transit Ridership Incentive Program
33.2-1526.3

• Program to promote ridership and improve service in areas over 100,000, by encouraging—
  – Identification and establishment of routes of regional significance
  – Development and implementation of regional subsidy allocation model
  – Implementation of integrated fare collection
  – Establishment of bus-only lanes for routes of regional significance
  – Other actions and services determined by the Board to improve transit service
Transit Ridership Incentive Program
33.2-1526.3

• Board to establish guidelines for program
  – Must review guidelines every 5 years

• Funds shall be awarded each eligible area receives their pro-rata share based on population on 5-year rolling basis
  – Board may waive this requirement for up to 2 years

• Board must report on an annual basis on the performance of routes of regional significance and other
Transit Ridership Incentive Program

33.2-1526.3 D

• Up to 25% of funds must be used to reduce impact of fares on low-income individuals
  – Fare reduction programs
  – Fare elimination

• May be used anywhere in the Commonwealth
Establishes a Special Structures Program

Requires Board to adopt a plan covering a period of not less than 30 years and update biennial, starting this year

Funds may be used for maintenance, rehabilitation and replacement pursuant to the adopted plan

Board may provide funding from the HMOF if they determine available funding is insufficient for adopted plan

<table>
<thead>
<tr>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10.0M</td>
<td>$30.0M</td>
<td>$80.0M</td>
<td>$82.1M</td>
<td>$84.1M</td>
<td>$86.0M</td>
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</tbody>
</table>
Pavement Maintenance

- Provides funding to meet newly adopted Board targets for pavements based on Commissioner’s comprehensive review of pavements and bridges

- Increases funding for city street maintenance payments on a pro-rata basis

<table>
<thead>
<tr>
<th>Highway Maintenance and Operating Fund</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interstate Pavements</td>
<td>4.8</td>
<td>28.5</td>
<td>29.3</td>
<td>26.7</td>
<td>32.4</td>
<td>33.2</td>
<td>154.9</td>
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<tr>
<td>Secondary Pavements</td>
<td>4.8</td>
<td>10.1</td>
<td>10.4</td>
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<td>10.8</td>
<td>9.8</td>
<td>10.9</td>
<td>11.2</td>
<td>56.4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>12.8</td>
<td>49.2</td>
<td>50.4</td>
<td>45.9</td>
<td>51.9</td>
<td>53.1</td>
<td>263.2</td>
</tr>
</tbody>
</table>
Interstate Operations and Enhancement Program
33.2-372

• Program to manage funds from “81 bill” last session

• Funds may only be used to address a need in (i) VTrans or (ii) a Board adopted corridor plan

• Board, with assistance of Office of Intermodal Planning and Investment, must develop a prioritization process for the use of funds

• Retains requirement that certain amount of funds be used for Interstate corridors with more than 10% of Interstate truck vehicle miles traveled

• Requires reporting through Commissioner’s Biennial Report
Virginia Highway Safety Improvement Program
33.2-373

• Program to reduce motorized and nonmotorized fatalities and severe injuries on Virginia highways

• Requires the Board to adopt an investment strategy
  – Must cover at least 5-year years
  – Seek to achieve a significant reduction in anticipated number of fatalities and severe injuries
  – Give priority to projects, strategies, and activities based on safety benefits relative to cost
Virginia Highway Safety Improvement Program 33.2-373

- Establishes formula for funds in program
  - 54% for infrastructure projects to address hazardous road location or feature and address identified highway safety problem
  - 29% for strategies and activities to address behavioral causes of crashes that result
  - Remaining amounts as determined by the Board adopted investment strategies

- Program includes federal Highway Safety Improvement Program funds, Open Container funds and new revenues
Commonwealth Rail Fund
33.2-1526.4

• Consolidation of Rail Enhancement Fund and the Intercity Passenger Rail Operating and Capital Fund
  – 93% provided directly to the Virginia Passenger Rail Authority
  – 7% retained for use by DRPT for non-Authority related rail purposes and activities

• Includes funds (i) previously provided by Transit Capital Program for VRE track access payments and (ii) Priority Transportation Fund revenues allocated by the Board to Atlantic Gateway and Long Bridge
Establishes Authority as a political subdivision
- Increase passenger rail capacity and improve passenger rail services
- Ameliorate current and future traffic congestion
- Promote industrial and economic development

Purpose is to promote, sustain, and expand the availability of passenger and commuter rail service and increase ridership by connecting population centers in Virginia with service and increasing the availability of such service
Virginia Passenger Rail Authority
Article 6 of Chapter 2 of Title 33.2 (33.2-289 et seq.)

Board would be governed by a 15-member board appointed by the Governor

- 3 who reside in the boundaries of NVTC
- 3 who reside in the boundaries of PRTC
- 2 who reside in the boundaries of RMTA
- 2 who reside in the boundaries of HRTAC
- 2 who reside in the boundaries of PDCs 5, 9, 10 or 11
- DPRT Director, chair and only votes in the event of a tie
- Designee of Amtrak CEO and President
- Virginia Railway Express CEO
Virginia Passenger Rail Authority
Article 6 of Chapter 2 of Title 33.2 (33.2-289 et seq.)

- Board members do not serve at the pleasure of the Governor
- Board must meet at least quarterly
- Actions of the Board require a majority vote, except for the sale of land or issuance of bonds which requires a super-majority of 9
- Board is responsible for hiring an executive director
- Initial terms of the Board members are staggered
Virginia Passenger Rail Authority
Article 6 of Chapter 2 of Title 33.2 (33.2-289 et seq.)

Authority has all powers necessary or convenient for carrying out its statutory purposes, including—

• Grant others the privilege to design, build, finance, operate, and/or maintain rail facilities

• Fix, alter, change and collect rates for use of rail facilities

• Issue bonds and accept federal loans, however debt may not be supported by the Commonwealth Rail Fund revenues

• Eminent domain for construction or efficient operation of rail facilities

Authority may not directly operate passenger, commuter or freight rail service
Virginia Passenger Rail Authority
Article 6 of Chapter 2 of Title 33.2 (33.2-289 et seq.)

- Authority must submit detailed operating plan and budget to the CTB by February 1 each year.
- Authority also must submit for approval any proposed capital expenditures and projects for the following fiscal year by February 1 each year.
- CTB has until May 30 to approve or deny proposed capital expenditures and projects.
Passenger Rail Facilities Bond Act
Enactment clauses 12 and 14

- Finds that the General Assembly desires to authorize the use of 66 tolls to support the Long Bridge, and related track improvements, and upgrades to the Rosslyn Metro station with a term not to exceed 39 years.

- Authorizes the CTB to sell up to $1 billion in 9(d) bonds to be supported by I-66 inside the Beltway toll revenues for—
  - A new passenger rail bridge across the Potomac River along with related track improvements and property acquisition
  - Improvements and upgrades to the Rosslyn Metro station

- Allows for the use of federal credit facilities including TIFIA and RRIF.
Interstate 81 Corridor Program
Revenue Bond Act
Enactment clause 15

• Authorizes the CTB to sell up to $1 billion in debt to support the Interstate 81 Corridor Improvement Program with a term not to exceed 39 years
• Debt will be backed by the regional fuels tax, as amended, along the 81 corridor
• Allows for the use of federal credit facilities including TIFIA
Completion of Corridor Q
Enactment clauses 2 and 3

- General Assembly finds that the completion of Corridor Q of the Appalachian Development Highway System is required to provide an adequate, modern, safe, and efficient highway that will further the development needs and economic growth potential of south-central and southwest Virginia
  - Allows the use of Route 58 Corridor Development Funds on a pay-as-you go basis for Corridor Q
- Allows a portion of the $600M in debt authorized for Route 58 in 2013 to be used to complete Corridor Q
- Anticipated that ~$220-240M will be available for Corridor Q
Central Virginia Transportation Authority
HB1541 (McQuinn)

- Passed the House 65 to 28 and the Senate 25 to 14
- Establishes a Central Virginia Transportation Authority embracing all localities within Planning District 15
- Authority has 16 members
  - Chief elected official of the governing body of each county
  - Chief elected official of the City of Richmond and Town of Ashland
  - One member of the House of Delegates and one member of the Senate
  - Ex-officio, nonvoting – CTB rep, VDOT, DRPT, GRTC and RMTA
Imposes a 0.7% retail sales and use tax and a regional fuels tax with funds distributed as follows—

- 35% to be used by the Authority for transportation-related purposes benefiting PDC 15
- 15% to be used by GRTC for transit and mobility services in PDC 15 approved by the Authority
- 50% to be returned on a pro-rata basis to each locality to improve local mobility including construction, transit, maintenance, sidewalks, trails and mobility services

All revenues are deposited into a special non-reverting fund for PDC 15 known as the Central Virginia Transportation Fund
Central Virginia Transportation Authority
HB1541 (McQuinn)

- Decisions of the Authority require a majority vote of those presenting and voting whose votes represent four-fifths of the population embraced by the Authority
  - No motion fund a project/service shall fail the population criteria due to sole negative vote, unless such project/service is located in the jurisdiction of the representing voting no

- Authority must approve the use of regional funds and the use of funds provided to GRTC

- If funds are used for a non-transportation purpose then the provisions generating new revenue expire
Central Virginia Transportation Authority
HB1541 (McQuinn)

• GRTC is required to develop a plan for regional transportation in PDC 15 in collaboration with the Richmond Regional TPO based on the guidelines for urban transit strategic plans

• GRTC annually must provide the Authority with documentation showing the funds were used in accordance with the Authority’s approval and the DRPT adopted guidelines for the development of urban transit strategic plans

• No locality may reduce its local funding for public transit by more than 50% of what it appropriated as of July 1, 2020
### Central Virginia Transportation Authority
**HB1541 (McQuinn)**

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>TOTAL</th>
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<tr>
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<td><strong>TOTAL</strong></td>
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<td><strong>GRTC</strong></td>
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Hampton Roads Regional Transit Program
HB1726 (Askew) / SB1038 (Lucas)

• Passed the House 57 to 40 and the Senate 24 to 16

• Establishes a Hampton Roads Regional Transit Fund, consisting of the following revenue sources—
  – $0.06 per $100 of assessed value grantors tax in the jurisdictions that are members of Hampton Roads Transit
  – 1% transient occupancy tax in the jurisdictions that are members of Hampton Roads Transit
  – $20M in state recordation taxes

• Norfolk, Virginia Beach, Chesapeake, Portsmouth, Hampton and Newport News are members of Hampton Roads Transit
Hampton Roads Regional Transit Program
HB1726 (Askew) / SB1038 (Lucas)

- Funds are managed by the Hampton Roads Transportation Accountability Commission and disbursements shall be approved by the Commission

- Funds may solely be used for development, construction, capital needs and operation of a regional system of inter-jurisdictional, high-frequency bus service
  - Funds may also be used for the administrative costs of the Commission

- Funds can only be used to expand light rail in the City of Norfolk
## Hampton Roads Regional Transit Program

**HB1726 (Askew) / SB1038 (Lucas)**

<table>
<thead>
<tr>
<th>Hampton Roads Transit</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
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<td>Transient Occupancy Tax</td>
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<td><strong>Hampton Roads Total</strong></td>
<td>34.0</td>
<td>34.3</td>
<td>34.6</td>
<td>35.0</td>
<td>35.3</td>
<td>35.7</td>
<td>208.8</td>
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Legislation does not include a maintenance of effort clause for any of the member jurisdictions of Hampton Roads Transit

* Grantor’s Tax estimate is extrapolated from previous TAX estimates and is subject to update
Transportation Safety
(HB1439 Jones / SB907 Lucas)

• Conference report passed the House 54 to 42 and failed in the Senate 11 to 29

• Made seat belt use a primary offense and required use in all seats of a vehicle
  – Delayed enactment until January 1, 2021

• Required DMV to establish an advisory council to develop training for law enforcement and educational outreach materials for the public

• Allowed local governments to lower speed limits below 25 mph, but not lower than 15 mph, in business and residence districts
Other Safety Legislation

HB874 (Bourne) / SB160 (Surovell) – prohibits the holding of a handheld personal communications device while driving
• Delayed enactment until January 1, 2021
• Requires training and educational materials for law enforcement
• Requires educational materials for the public prior to law’s effective date

Passed the House 69 to 29 and the Senate 32 to 8
Signed by the Governor on March 10, 2020
Other Safety Legislation

HB1442 (Jones) authorizes Virginia State Police and local law enforcement to use automated speed enforcement in work zones and school crossing zones

- Civil penalty of up to $100
- Not considered a conviction as an operator, will not be added to a driving record or used for insurance purposes
- Requires law-enforcement officer to swear/affirm certificate
- Requires report by VSP each year by February 15

Passed House 49 to 43 and Senate 23 to 17
Hampton Roads Express Lanes Bond Act
(HB1438 Jones)

• Passed House 63 to 35 and Senate 29 to 11

• Authorizes HRTAC to impose tolls on CTB designated HOT lanes on Interstate 64 from Jefferson Avenue to Bower’s Hill Interchange

• Requires HRTAC to enter into an agreement with CTB and VDOT
  – Standards for operations and toll collection
  – Use of toll revenues and reimbursement of CTB expenses
  – Other provisions to ensure safe and efficient operations
Other Legislation of Interest

• SB735 (Newman) authorizes peer-to-peer vehicle sharing and establishes a two-tier tax rate schedule (i) 10% for operators with more than 10 vehicles and (ii) 7% for operators with not more than 10 vehicles
  – Passed the House 95 to 4 and the Senate 40 to 0

• SB758 (Marsden) increases the weight limits for personal delivery devices from 50 to 500 pounds, excluding cargo
  – Can operate on roadways with speed limits of 25mph or less when a sidewalk is not present
  – Passed the House 88 to 12 and the Senate 39 to 0
Other Legislation of Interest

- HB885 (Sickles) / SB 63 (Sutterlein) – raises the threshold for reckless driving from over 80 mph to over 85 mph
  - Passed the House 85 to 14 and the Senate 30 to 10

- HB1635 (Lopez) / SB995 (Surovell) repeals a provision from 2018 WMATA bill that prohibited WMATA from providing incentives or requiring for labor organizations as a part of a procurement
  - Passed the House 54 to 45 and the Senate 21 to 19

- HB1586 (Watts) – exempts service expansion approved by the WMATA Board from the 3% cap on growth in operating subsidy from 2018 WMATA bill
  - Passed the House 74 to 23 and the Senate 21 to 19