



COMMONWEALTH of VIRGINIA  
*Office of the*  
SECRETARY of TRANSPORTATION

# Special Session Update

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# Transportation Budget Amendments

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- **Item 430 P – Provides the Board with flexibility to address revenue reductions**
- **Item 443 D 3 – Transitional provisions to allow DRPT to act for Rail Authority for a limited period of time**
- **Item 444 B – Provides stability for DRPT operating budget**

# COVID Impacts to Revenues

## Actual and Projected

- **Estimated impact through FY22 of ~\$870M**
  - Round 3 of SMART SCALE was \$850M in total
- **FY20 collections were \$121.0M less than forecast**
  - (\$45.4M) from fuel tax
  - (\$39.1M) from motor vehicle sales tax
  - (\$29.7M) from retail sales tax
  - (\$27.0M) from vehicle registrations
- **FY21 projected to be down \$400.8M from forecast**
- **FY22 projected to be down \$348.9M from forecast**

# Flexibility to Address Revenue Reductions

- **States the intent of the General Assembly that the Board shall take steps to maintain currently programmed projects and allow for phased implementation of Omnibus Bill**
- **Provides Board with discrete flexibility to take certain actions to address goals**
- **Without flexibility Board would need to establish process in near term to determine which projects and/or programs to cancel to address revenue reductions**

# Flexibility to Address Revenue Reductions

- **Allows Board to use \$445M in past allocations for Revenue Sharing to cover on-going costs through FY22**
  - Funds would come from projects that do not need the dollars in the years they were allocated
  - Requires repayment of funds by FY24
  - Funds repaid as needed based on current project schedule
- **Allows use of ~\$50M in balance entry of previous Revenue Sharing funds to cover on-going costs**

# Flexibility to Address Revenue Reductions

- **Allows Board to use up to \$211M in past SMART SCALE and State of Good Repair allocations to cover on-going costs**
  - **Funds would come from projects that do not need the dollars in the years they were allocated**
  - **Requires repayment of funds by FY25**
  - **Funds repaid as needed based on current project schedule**

# Flexibility to Address Revenue Reductions

- Provides flexibility to the Board to phase in the new revenues from the omnibus legislation
  - Board would need to fund Route 58, NVTD and NVTA ‘off-the-top’ allocations
- Allows Board, in its discretion, to use transit capital and special funds for operating purposes in FY21

# Rail Authority

- **Authorizes the DRPT Director to conduct all necessary business functions of the Authority**
- **Authority will assume its functions and authorities when—**
  - **Board is appointed**
  - **Executive director is hired**
  - **Board has executed an agreement to access rail cash balances**

# DRPT Operating Budget

- DRPT's operating budget, unlike most agencies, is a fixed percentage of the revenues provided to the agency
- Amendment would allow DRPT to have an operating budget in FY21 that is either (i) 5% of its revenues or (ii) equal to its operating budget in FY20