

Transportation

The amendments for Transportation agencies result in an appropriation of \$82.0 million GF and \$8.97 billion NGF for the biennium -- a biennial nongeneral fund revenue reduction of \$794.9 million compared to Chapter 879 of the 2008 Acts of Assembly. These adjustments reflect reduced growth in a number of transportation revenue sources, in particular motor vehicle titling taxes and insurance premiums used to support planned debt issuances. With minor exception, the budget does not include any transfers of transportation funds to the general fund to address the GF budget shortfall. The adjustments simply reflect changes in available transportation revenues. The reductions are contained in a single item in each agency and are not integrated into the specific programs.

In order to address the identified transportation revenue shortfall, language is provided which specifies how the agencies shall implement the reductions by program, roadway system or geographic area. Across the secretariat, the adopted amendments reduce the agencies' maximum employment level (MEL) by 1,163 fulltime equivalent (FTE) positions. All but 13 of the eliminated positions are at VDOT which is reducing its MEL from 9,500 to 8,350 by the end of the biennium.

- **Secretary of Transportation**
 - *Authorize DPB to Adjust Agency Appropriations to Reflect Timing of Sale of Capital Projects Revenue Bonds.* Language is included authorizing the Director of Department of Planning and Budget to administratively adjust the nongeneral fund appropriations within the transportation agencies to allow for the utilization of bond proceeds authorized by the 2007 General Assembly.
 - *Reporting Requirements for ARRA Eligible Projects.* Requires the Secretary to provide the Chairmen of the House Appropriations, House Transportation, Senate Finance, and Senate Transportation Committees with a prioritized statewide list of transportation projects would be ready to be advertised for bid with funding available through the American Reinvestment and Recovery Act. This list would include all projects sufficiently advanced to be advertised even if the particular projects may not be selected for funding.
- **Department of Aviation**
 - *Reflect Reduced Revenues.* Includes a reduction of \$3.0 million NGF in the first year and \$3.2 million NGF in the second year representing a reduction in the revenues forecast for the Commonwealth Transportation Fund and the Aviation Special Fund. Also included in this item is a reduction of \$6,280 GF each year reflecting a reduced appropriation for use of the state planes. These reductions reflect approximately 11 percent of the agency's budget.
 - *Authorize Use of Aviation Funding for Airport Access Projects.* Includes language explicitly authorizing the Commonwealth Transportation Board to

request that the Virginia Aviation Board utilize Commonwealth Airport Funds for surface airport access projects.

- **Department of Motor Vehicles**

- ***Increased Central Service Costs.*** Increases the agency's nongeneral fund appropriation by \$3.2 million NGF in the first year and \$3.9 million NGF in the second year to recognize increased costs in central service items including lease payments, license plate raw materials and increased VITA costs.
- ***Reduce DMV Retention of Uninsured Motorists Funding.*** Language in Part 3 of Chapter 879 of the 2008 Acts of General Assembly authorized DMV to retain \$6.4 million NGF each year from the Uninsured Motorists Fund to help finance the costs of the department's system redesign initiative. The Governor's budget proposes to reduce the nongeneral fund transfer amount by \$5.0 million in FY 2009 and \$3.2 million in FY 2010 with the residual amounts flowing to the general fund. DMV has completed Phase 2 of the system redesign and the implementation contract is not anticipated to be completed until later this year, reducing the funding DMV needs for the project during the current biennium.
- ***Reflect Reduced Revenues.*** Includes a reduction of \$7.1 million NGF in the first year and \$3.4 million NGF in the second year representing reduced revenues forecast for the DMV Special Fund. In total, the agency reductions equate to 4 percent in the first year and 1.2 percent in the second year.
- ***DMV Transfer Payments.*** The budget includes a new item for DMV Transfer Payments to reflect a new agency code for this item. This action was required to avoid duplicate use of an assigned but unused agency code that had been attached to this new item when the budget was introduced. Also included in this item is a reduction of \$197,728 NGF in the second year reflecting the operational costs of collecting and distributing the mobile home and rental vehicle taxes. These amounts are transferred to the general fund in Part 3 of the budget.

- **Department of Rail and Public Transportation**

- ***Reflect Reduced CTF Revenues.*** Includes a nongeneral fund reduction of \$16.1 million the first year and \$24.7 million the second year representing the revised state and federal transportation fund forecasts. These amounts represent a reduction of 2.8 percent of the agency's budget in FY 2009 and 4.2 percent in FY 2010 compared to the levels included in Chapter 879 of the 2008 Acts of Assembly.
- ***Transit Grant Funding Flexibility.*** Gives local transit properties the discretion to use state transit capital fund allocations for operating expenses in FY 2010 in order to maintain operating funding at the 2009 funding level. The amendment does not reallocate Mass Transit Funds among transit properties or reduce formula allocations for either the capital or operating programs.

- ***Dulles Access Toll Road Soundwalls.*** Modifies existing language requiring the construction of sound barriers in conjunction with the construction of a rail mass transit system in the right-of-way of the Dulles Access Toll Road and the intersection of Route 123 in Fairfax County.
- ***Revenue Reduction Guidance.*** Authorizes the director of the Department of Rail and Public Transportation to take the necessary actions to reduce the appropriations within the agency but requires that such reductions are proportionate to the existing distributions among and within the transit and rail programs.

- **Department of Transportation**

- ***Reflect Reduced CTF Revenues.*** Includes a NGF reduction of \$339.2 million in the first year and \$359.9 million in the second year reflecting the updated state and federal transportation fund forecasts. These amounts represent a biennial reduction of 7.3 percent compared to the amounts adopted in Chapter 879 of the 2008 Acts of Assembly. This amendment further includes staffing reductions totaling 1,150 FTE for the biennium.
- ***Revenue Reduction Guidance.*** Authorizes the director of the Department of Transportation to take the necessary actions to reduce appropriations and staffing levels within the agency and establishes guidelines and reporting requirements relevant to the subsequent reductions in program service and staffing levels.
- ***HOT Lane Reforestation Review.*** Directs the Virginia Transportation Research Council to review reforestation best practices for construction projects in densely populated areas and make recommendation to the Commonwealth Transportation Board, the Secretary and the General Assembly on an appropriate approach to restore vegetation within the I-495 HOT Lane Corridor.

- **Virginia Port Authority**

- ***Craney Island Bonds.*** Delays issuance of the Port Revenue Bonds for the Craney Island improvement project for one year, until July 1, 2010. The reduced Port traffic is not generating sufficient revenue to support an earlier issuance date.
- ***Reflect Reduced CTF Revenues.*** Includes a NGF reduction of \$14.6 million in the first year and \$13.8 million in the second year reflecting the revised Transportation Trust Fund and Commonwealth Port Fund forecasts. These amounts represent a biennial reduction of 14.8 percent compared to the amounts adopted in Chapter 879 of the 2008 Acts of Assembly.

- **Towing and Recovery Operations**

- ***Licensing Services.*** Proposes an increase of \$50,000 NGF in the second year to cover costs of a contract with the Department of Health Professionals to process tow truck driver applications and issue the licenses.