

***Proposed Amendments to the  
FY 2006-2008 Transportation Budget***

Senate Finance Committee  
Transportation Subcommittee

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Secretary of Transportation  
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# Summary of Transportation Amendments

- Continued transparency and accountability
- Reflect declining state transportation revenues
- Reflect increasing costs of existing infrastructure and programs
- Reflect new business delivery models and mandates that must be met -\$13.1 million redirected from GF for Real ID
- Adds \$161 million GF to HB 3 appropriation of \$339 million to attract private investment and congestion mitigation

# Change in Key State Transportation Revenues

- Taxation's update of state transportation revenues forecasts a decline which has been incorporated into the budget amendments
- The total revenue change for the biennium is (\$111.6 m)
- HMO/TTF revenue growth has declined from 4.7% over the biennium to 2.5%
  - Language amendment authorizes CTB to use Priority Transportation Fund to offset FY 2007 revenue loss so Six-Year Program does not have to be reopened

(in millions)	<b>FY 07</b>	<b>FY 08</b>	<b>Biennium</b>
HMO	(\$24.3)	(\$34.2)	(\$58.5)
TTF	(\$17.6)	(\$16.9)	(\$34.5)
DMV Special Fund	(\$1.0)	(\$1.2)	(\$2.2)
Auto Premiums	(\$8.6)	(\$7.8)	(\$16.4)
<b>Total Change</b>	<b>(\$51.5)</b>	<b>(\$60.1)</b>	<b>(\$111.6)</b>

# Transportation Cost Increases

- Budget amendments for all agencies reflect salary increases included in Chapter 3 and other personnel cost changes
  - DMV - \$5.6 million                      Dealer Board - \$0.1 million
  - DRPT - \$0.2 million                      DOAV - \$0.5 million
  - For VDOT, salary increases must be provided from existing program levels; \$24 million increase in FY 2008
- VDOT maintenance cost increase (just price changes in materials) is \$19.3 million more than planned a year ago in FY 2008 just to keep pace
  - Internal VDOT savings of \$20.4 million from business plan also offsetting these costs

# Service and Mandate Changes (in millions)

DMV	Real ID	\$13.1 million/ 140 FTE
	Salvage & VIN inspection	\$0.8 / 12 FTE
	Motorcycle safety training	\$0.7 / fee increase
	On-Demand License Plate Decal	\$0.1
DOAV	Economic trend monitoring & measurement of airport needs	\$0.4
DRPT	Shift resources among programs	5 FTEs / \$10 million NGF from BRT to capital assistance
VDOT	Hazards Readiness Initiative	\$0.5 / 1 FTE
	Shift resources to land development activities	\$12.9
VPA	Expand rail facilities	\$20 m
	Service charges of localities	\$1 m GF

# One-Time GF Appropriation

- The 2006 Appropriation Act left \$339 million GF (FY 2007) in transportation for no specified purpose
- Governor's amendment adds \$161 million GF for a total of \$500 million
- Budget amendment directs \$500 million to attract private investment and congestion mitigation
  - Does not address fundamental transportation revenue issue or cost increases with one-time funding

# Governor's GF Transportation Amendment

<b>Fund</b>	<b>Use</b>	<b>Amount</b>
Transportation Partnership Opportunity	Capital Beltway, Hillsville Bypass, I-64/I-264 interchange, Route 50 widening	\$305 million
Rail Enhancement	I-95 corridor, including passenger rail; I-81 Phase 1 Rail improvements	\$ 65 million
Transit Capital	WMATA, VRE, Hampton Roads Transit Light Rail	\$ 45 million
Mass Transit	Statewide capital assistance	\$ 15 million
Port	Route 164 rail relocation; Craney Island	\$ 50 million
	private sector congestion initiatives	\$ 20 million
<b>Total</b>		\$500 million <sup>7</sup>

## Summary of Amendments

- \$500 million GF to encourage private investment and address congestion
- Reflect continuing decline in transportation revenues
- Reflect increased costs of ongoing programs and new mandates