

# Virginia Department of Transportation

## 2001 Fiscal Impact Statement

**1. Bill Number: HB 2368**

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed  
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

**2. Patron: Joannou, J.**

**3. Committee: House Transportation**

**4. Title: A Bill to amend the PPTA to include a definition of the phrase "reconstructed to provide for increased capacity".**

**5. Summary/Purpose:**

A Bill to amend the Public Private Transportation Act (PPTA) to define the phrase "reconstructed to provide for increased capacity" to mean a facility must be physically changed to enable larger numbers of vehicles to use such facility during peak-use periods.

**6. No Fiscal Impact**

**6a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2000-01	\$0.00	0	
2001-02	\$0.00	0	
2002-03	\$0.00	0	

**b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2000-01	\$0.00	0	
2001-02	\$0.00	0	
2002-03	\$0.00	0	

**7. Budget amendment necessary: NO**

**8. Fiscal implications:** The Public-Private Transportation Act is the legislative framework which authorizes Responsible Public Entities to enter into agreements authorizing private entities to acquire, construct, improve, maintain and/or operate qualifying transportation facilities.

Proposals submitted pursuant to the Public-Private Transportation Act enable needed highway improvement projects to be delivered sooner and cheaper than would be possible through traditional highway funding mechanisms.

VDOT received a Phase II proposal pursuant to the PPTA in 1998 for the development, construction and financing of the Pinner's Point Interchange and related facilities in the cities of Norfolk and Portsmouth including a second tube at the Midtown Tunnel.

The proposed financing plan depended on the ability to toll traffic movement throughout the system of projects including tolling traffic at the Downtown (I-264) Tunnel. Prior to proceeding to evaluate this proposal, VDOT, along with the private propose, sought to secure the final interstate tolling slot available as part of the Pilot Program authority by Section 1012 (b) of the ISTEA.

In a letter dated May 21, 1998, FHWA awarded VDOT a conditional commitment of the last interstate tolling slot available as part of the Pilot Program authorized by Section 1012(b) of the ISTEA. This serves as federal authorization for the tolling at the Downtown Tunnel.

In spring of 1999, the Portsmouth City Council opposed the imposition of tolls as a means of financing this system of transportation improvements. Therefore, further evaluation of this proposal was suspended. However, if the Council should change its position on the use of tolls, enactment of HB 2368 would severely hamper the ability to finance this system of transportation improvements estimated at approximately \$644 million.

Inability to finance this system of projects now under the PPTA would likely result in considerable delay of these transportation improvements.

**9. Specific agency or political subdivisions affected:** VDOT, any City, County or Town having authority to build a qualifying transportation facility under the PPTA

**10. Technical amendment necessary:** NO

**11. Other comments:** The PPTA, §56-565.A states . . . Furthermore, no tolls or user fees may be imposed by the operator on any free road, bridge, tunnel or overpass unless such road, bridge, tunnel or overpass is reconstructed to provide for increased capacity."

The issue is how one defines "increased capacity" as no physical reconstruction is planned at the Downtown Tunnel -- rather traffic management systems and the tolling of both the Downtown and Midtown Tunnels will improve throughput.

The tolling of the Downtown Tunnel along with the other roadways would help balance the use of the roadways and therefore improve congestion management.

**Date:** 01/15/2001

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cc: Secretary of Transportation

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