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**HOUSE BILL NO. 2596****AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the House Committee on Appropriations  
on February 2, 2005)

(Patron Prior to Substitute—Delegate May)

*A BILL to amend and reenact §§ 33.1-221.1:1.1, 46.2-214.1, and 58.1-2425 of the Code of Virginia, and to amend the Code of Virginia by adding a section numbered § 33.1-391.3:1, relating to the Rail Enhancement Fund; creation of the Rail Advisory Board, fees for release of information by Department of Motor Vehicles; disposition of a portion of the motor vehicle rental tax.*

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 33.1-221.1:1.1, 46.2-214.1, and 58.1-2425 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered § 33.1-391.3:1, as follows:**

§ 33.1-221.1:1.1. Rail Enhancement Fund.

A. The General Assembly declares it to be in the public interest that railway preservation and development of railway transportation facilities are an important element of a balanced transportation system of the Commonwealth for freight and passengers and further declares it to be in the public interest that the retention, maintenance, improvement and development of the railways are essential to the Commonwealth's continued economic growth, vitality, and competitiveness in national and world markets, and there is hereby created in the state treasury a special nonreverting fund to be known as the ~~Railway Preservation and Development~~ *Rail Enhancement* Fund, hereafter referred to as "the Fund."

B. The Fund shall be established on the books of the Comptroller, and shall consist of such funds from such sources as shall be set forth in the appropriation act and shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely as provided in this section. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the ~~Executive~~ Director of the Virginia Department of Rail and Public Transportation or the ~~Executive~~ Director's designee.

C. To fulfill this purpose, there shall be funding set forth each year in the budget bill and appropriated by the General Assembly in the Rail Assistance Program of the Department of Rail and Public Transportation. These funds shall be used by the Department of Rail and Public Transportation to administer a Rail Preservation and Development Program for the purposes described in subsection A. Furthermore, the Commonwealth Transportation Board shall include an annual allocation for such purpose in its allocation of transportation revenues.

D. The ~~Executive~~ Director of the Department of Rail and Public Transportation shall administer and expend or commit, subject to the approval of the Commonwealth Transportation Board, the Fund for acquiring, leasing, and/or improving railways or assisting other appropriate entities to acquire, lease, or improve railways for freight and/or passenger rail transportation purposes whenever the Board shall have determined that such acquisition, lease, and/or improvement is for the common good of a region of the Commonwealth or the Commonwealth as a whole. ~~The Executive~~ *Prior to recommending an allocation of the Fund to the Commonwealth Transportation Board, the* Director of the Department of Rail and Public Transportation ~~may shall~~ consult with other agencies or their designated representatives concerning projects to be undertaken under this section and obtain the advice and recommendations of the Rail Advisory Board established pursuant to § 33.1-391.3:1.

E. Tracks and facilities constructed and property and equipment purchased under this section shall be the property of the Commonwealth for the useful life of the project as determined by the Executive Director of the Department of Rail and Public Transportation and shall be made available for use by all common carriers using the railway system to which they connect under trackage rights agreements between the parties. ~~Projects undertaken pursuant to this section shall be limited to those the Commonwealth Transportation Board shall have determined will result in public benefits to the Commonwealth that are equal to or greater than the investment of funds under this section. Such projects shall include a minimum of 30 percent cash or in-kind matching contribution from a private source, a regional authority, or a local government source.~~

§ 33.1-391.3:1. Rail Advisory Board.

There is hereby established the Rail Advisory Board to consist of nine members appointed by the Governor for terms of four years. The Governor shall designate one of the members to serve as Chairman of the Rail Advisory Board. Vacancies shall be filled for the unexpired term in the same

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60 manner as the original appointment. One of such appointees shall be an at-large member of the  
61 Commonwealth Transportation Board and shall serve as Chairman of the Rail Advisory Board. The  
62 Board may, by majority vote, choose one of its members to serve as vice-chairman. The Board shall, in  
63 consultation with the Director, develop recommendations to be presented to the Commonwealth  
64 Transportation Board regarding allocations of funds from the Rail Partnership Fund. The Board shall  
65 also advise the Director and the Department on other matters at the request of the Director or the  
66 Department. The Board shall meet at the call of the Chairman. A majority of the members shall  
67 constitute a quorum for the conduct of all Board business.

68 The Board shall have the following responsibilities:

69 1. In consultation with, and with the assistance of the Director, the Board shall develop  
70 recommendations to be presented to the Commonwealth Transportation Board regarding all proposed  
71 allocations of funds from the Rail Partnership Fund.

72 2. The Board shall work cooperatively with the Director of the Department of Rail and Public  
73 Transportation and with any affected railroad in identifying, developing, and advocating projects and  
74 policies to enhance the quality and utility to the public of rail transportation in the Commonwealth.

75 3. At the request of the Director, the Board shall consider and advise the Director and the  
76 Department on any other matter or matters pertaining to transportation in the Commonwealth.

77 Members of the Board shall receive no compensation, but shall be reimbursed the actual and  
78 necessary expenses incurred in connection with their official duties. Staff support for the Board shall be  
79 provided by the Department of Rail and Public Transportation.

80 § 46.2-214.1. Additional charge for information supplied by Department.

81 Beginning July 1, 2002, in addition to the fee charged pursuant to § 46.2-214, the Commissioner  
82 shall charge \$2 for furnishing information under this title, but no fee shall be charged to any official,  
83 including court and police officials, of the Commonwealth or any county, city, or town of the  
84 Commonwealth, or to court, police, and licensing officials of other states or of the federal government,  
85 provided that the information requested is for official use.

86 All fees collected pursuant to this section shall be deposited into the state treasury and credited to  
87 the Rail Enhancement Fund established by § 33.1-221.1:1.1. The Fund shall be considered a special  
88 fund within the Transportation Trust Fund. Any moneys remaining in the Fund, including interest  
89 thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund.

90 § 58.1-2425. Disposition of revenues.

91 A. All funds collected hereunder by the Commissioner shall be forthwith paid into the state treasury.  
92 Except as otherwise provided in this section, these funds shall constitute special funds within the  
93 Commonwealth Transportation Fund. Any balances remaining in these funds at the end of the year shall  
94 be available for use in subsequent years for the purposes set forth in this chapter, and any interest  
95 income on such funds shall accrue to these funds. The revenue so derived, after refunds have been  
96 deducted, is hereby allocated for the construction, reconstruction and maintenance of highways and the  
97 regulation of traffic thereon and for no other purpose. However, (i) all funds collected pursuant to the  
98 provisions of this chapter from manufactured homes, as defined in § 46.2-100, shall be distributed to the  
99 city, town, or county wherein such manufactured home is to be situated as a dwelling; (ii) all funds  
100 collected from the additional tax imposed by subdivision A 4 of § 58.1-2402 on the rental of daily rental  
101 vehicles shall be distributed quarterly to the city, town, or county wherein such vehicle was delivered to  
102 the rentee; (iii) effective January 1, 1987, an amount equivalent to the net additional revenues generated  
103 by enactments of the 1986 Special Session of the Virginia General Assembly which amended  
104 §§ 46.2-694, 46.2-697, 58.1-2401, 58.1-2402 and this section shall be distributed to and paid into the  
105 Transportation Trust Fund, a special fund within the Commonwealth Transportation Fund, and are  
106 hereby appropriated to the Commonwealth Transportation Board for transportation needs; (iv) except as  
107 otherwise provided in clause (iii) of this sentence, all moneys collected from the tax on the gross  
108 proceeds from the rental in Virginia of any motor vehicle pursuant to subdivision A 3 of § 58.1-2402 at  
109 the tax rate in effect on December 31, 1986, shall be paid by the Commissioner into the state treasury  
110 and shall be set aside in a special fund within the Commonwealth Transportation Fund to be used to  
111 meet the expenses of the Department of Motor Vehicles paid into the Rail Enhancement Fund  
112 established by § 33.1-221.1:1.1; and (v) all additional revenues resulting from the fee imposed under  
113 subdivision A 5 of § 58.1-2402 as enacted by the 2004 Session of the General Assembly shall be used  
114 to pay the debt service on the bonds issued by the Virginia Public Building Authority for the Statewide  
115 Agencies Radio System (STARS) for the Department of State Police pursuant to the authority granted  
116 by the 2004 Session of the General Assembly.

117 B. As provided in subsection A of § 58.1-638, of the funds becoming part of the Transportation  
118 Trust Fund pursuant to clause (iii) of subsection A of this section, an aggregate of 4.2 percent shall be  
119 set aside as the Commonwealth Port Fund; an aggregate of 2.4 percent shall be set aside as the  
120 Commonwealth Airport Fund; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7  
121 percent in fiscal year 1999-2000 and thereafter shall be set aside as the Commonwealth Mass Transit

**122** Fund.  
**123**