

Department of Planning and Budget 2006 Fiscal Impact Statement

1. Bill Number: SB686

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Potts, H.R.

3. Committee: Senate Finance

4. Title: Transportation Future Fund.

5. Summary/Purpose:

This bill establishes the Transportation Future Fund (the Fund) to support the design and construction of surface transportation infrastructure of long-term statewide significance. The Fund is to be financed through a one percent increase in the general sales and use tax and the vending machine tax rate, and through establishment of toll roads, effective July 1, 2006. Projects assigned to this Fund include:

- The design and construction of the Third Crossing of Hampton Roads.
- Construction of the Southeastern Parkway and improvements to U.S. Route 460 and Interstate Route 64 in Hampton Roads.
- Expansion of Metrorail service to Tyson's Corner in Northern Virginia.
- Completion of environmental impact studies associated with the Eastern and Western Bypasses in the Virginia suburbs of Washington, D.C.
- Completion of location studies and reservation of rights-of-way in connection with a Potomac River bridge between the American Legion Bridge (Interstate Route 495) and the U.S. Route 15 Bridge.
- Establishment of high-occupancy toll lanes on Interstate Routes 95, 395, and 495 in the Virginia suburbs of Washington, D.C., in the Fredericksburg-Washington corridor.
- Expansion of Interstate Route 66 both within and outside the Capital Beltway.
- Completion of environmental impact studies associated with improvements to rail service, additional truck lanes, and improvements to choke points and dangerous locations in the Interstate Route 81 corridor.

6. Fiscal Impact Estimates are Preliminary: (See Item 8)

7. Budget amendment necessary: Yes

a) Item 443

8. Fiscal implications:

According to the Department of Taxation, the additional one percent increase in the general sales and use tax dedicated to the Fund will generate an estimated additional \$843.2 million in FY 2007 and \$964.9 million in FY 2008, increasing to an estimated \$1,150.6 million by FY 2012. In addition, the Department of Taxation will incur an estimated \$202,330 in programming costs in FY 2006 to track the distribution of the revenue.

9. Specific agency or political subdivisions affected:

Virginia Department of Transportation
Department of Taxation

10. Technical amendment necessary: No

11. Other comments: None

Date: 02/06/06 / jmh

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cc: Secretary of Transportation

Secretary of Finance