

## Department of Planning and Budget 2006 SSI Fiscal Impact Statement

**1. Bill Number** SB 5010

**House of Origin**    ☐ Introduced    ☒ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron**        Quayle

**3. Committee**    Senate Finance

**4. Title**           Hampton Roads Transportation Authority

**5. Summary/Purpose:**

The proposed legislation would create the Hampton Roads Transportation Authority (the Authority). The bill would grant the Authority the power to control, operate and toll the portion of US 17 between the North Carolina border and the proposed Dominion Boulevard. The Authority would also possess the power to control, operate and toll any new or improved highway, bridge, tunnel and transportation facility constructed by the Authority or using Authority funds.

The bill would raise the sales and use tax in the Authority's member jurisdictions by one percent. Revenues would be placed in a special fund within the state treasury, and be transferred to the Authority monthly.

**6. Fiscal Impact:** Preliminary. See Item 8.

**7. Budget amendment necessary:** None.

**8. Fiscal implications:**

The proposed legislation would increase the sales and use tax charged in the localities comprising the Authority by one percent. The increases would become effective if at least two-thirds of the localities in the Authority pass ordinances approving the increases. The revenues from the increased tax would be held in a special account within the state treasury, and transferred to the Authority on a monthly basis.

The following table shows, in millions, the revenue from the sales and use tax revenue if the locality passes an ordinance approving the tax increase and it becomes effective on July 1, 2007:

Locality	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
James City County	7.5	8.6	9.0	9.4	9.8
York County	7.4	8.5	8.9	9.2	9.6
Chesapeake	30.5	34.9	36.4	38.0	39.6
Hampton	11.9	13.7	14.3	14.9	15.5

Newport News	19.8	22.7	23.7	24.7	25.8
Norfolk	27.1	31.0	32.4	33.9	35.3
Poquoson	0.4	0.5	0.5	0.5	0.5
Portsmouth	5.2	5.9	6.2	6.5	6.7
Suffolk	6.1	7.0	7.3	7.6	8.0
Virginia Beach	45.8	52.5	54.8	57.2	59.6
Williamsburg	3.7	4.3	4.5	4.7	4.9
TOTAL	165.5	189.4	198.0	206.7	215.3

**9. Specific agency or political subdivisions affected:**

Counties of James City and York  
 Cities of Hampton, Chesapeake, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk  
 Virginia Beach and Williamsburg  
 Department of Accounts  
 Department of Transportation

**10. Technical amendment necessary:** None.

**11. Other comments:** None.

**Date:** 08/07/06 / smc

**Document:** F:\SMC\GA\FIS 2006\SB5010.Doc

cc: Secretary of Finance

Secretary of Transportation