

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number HB1999

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 Suit

3. Committee House Transportation

4. Title Hampton Roads Bridge and Tunnel Authority.

5. Summary/Purpose: The proposed legislation establishes the Hampton Roads Bridge and Tunnel Authority and transfers from VDOT to the Authority control of and responsibility for the James River Bridge, the Monitor-Merrimac Memorial Bridge-Tunnel (Interstate Route 664 bridge-tunnel across/beneath Hampton Roads between Newport News and Suffolk), the Hampton Roads Bridge-Tunnel (Interstate Route 64 and U.S. Route 60 bridge-tunnel across/beneath Hampton Roads between Hampton and Norfolk), the Midtown Tunnel (U.S. Route 58 tunnel beneath the Elizabeth River between Norfolk and Portsmouth), the Downtown Tunnel (Interstate Route 264 tunnel beneath the Elizabeth River between Norfolk and Portsmouth), the Interstate Route 64 bridge over the Elizabeth River in Chesapeake, and the Chesapeake Bay Bridge-Tunnel (U.S. Route 13 bridge-tunnel across/beneath the Chesapeake Bay between Virginia Beach and Northampton County). The bill allows the Authority to impose and collect tolls for the use of these facilities. The Authority's creation is subject to an affirmative vote of six or more of the local governing bodies of localities embraced by the Authority. Any local governing body that has not voted on participation in the Authority by January 1, 2008, will be deemed to have voted in favor of participation. The bill also provides that nothing in the measure is to be construed to authorize the Authority to impose or collect any tax or fee except for the authorized tolls, nor are the bill's provisions to be construed as permitting the imposition and collection of any tax or fee for the benefit of the Authority by any local government represented on the Authority.

The bill additionally provides that on or before July 1, 2008, every agency of the Commonwealth or any political subdivision or instrumentality thereof having control of or day-to-day responsibility for the operation of any toll facility in the Commonwealth shall take all necessary actions to ensure that every toll facility under its control is capable of fully automated electronic operation.

6. Fiscal Impact Estimates are: Tentative. See Item 8.

7. Budget amendment necessary: None.

8. Fiscal implications:

The proposed legislation creates the Hampton Roads Bridge and Tunnel Authority (the Authority), which is to be responsible for the operation, maintenance, improvement and

tolling of bridges and tunnels in the Hampton Roads region. Tolls collected by the Authority shall be used exclusively for the maintenance of the tolling facility or for improvements that will reduce congestion or enhance the capacity of the tolling facility. Toll revenues may also be used for improvements to other facilities where the improvements would reduce congestion or enhance capacity on the tolling facility.

The proposed legislation would grant the Authority the power to construct or acquire highways, bridges, tunnel, railroads, rail facilities or other transportation related facilities.

The bill contains an enactment clause that states that no provision of the bill is to be construed as to infringe on any of the financial obligations entered into by the Chesapeake Bay Bridge-Tunnel Commission (CBBTC). Any and all financial obligations of the CBBTC are to become obligations of the Authority on July 1, 2007. The two entities are to work together to complete the transfer of all property, structures, staff, employees, equipment, and supplies owned or controlled by the Chesapeake Bay Bridge and Tunnel Commission to the Hampton Roads Bridge and Tunnel Authority. All such transfers shall be completed prior to July 1, 2008.

The proposed legislation contains an enactment clause that states that the Commonwealth Transportation Board (CTB) shall continue to allocate to VDOT sufficient funding for the maintenance and operation of the bridges and tunnels under the control of the Authority, except that funding for the maintenance and operation of the Chesapeake Bay Bridge Tunnel shall be derived from revenues generated by the facility. The CTB currently allocates \$1.2 million in maintenance funding to assist the Chesapeake Bay Bridge Tunnel in its maintenance and operations. The CTB would no longer make the allocation under the proposed legislation.

It is not clear how the timing of the establishment of tolls on the bridge and tunnel facilities and the cessation of VDOT maintenance payments will occur. The Authority is to use toll revenue for the maintenance and operation of the tolling facility, but the CTB will continue to allocate funds for the maintenance of the bridges and tunnels, possibly after the establishment of tolls on the facilities. The bill does not contain provisions for a sunset clause on maintenance payments, or require an agreement between the two entities regarding the cessation of maintenance payments upon the establishment of tolls.

The bill additionally provides that by July 1, 2008, every agency of the Commonwealth or any political subdivision or instrumentality thereof having control of or day-to-day responsibility for the operation of any toll facility in the Commonwealth shall take all necessary actions to ensure that every toll facility under its control is capable of fully automated electronic operation. The electronic operation is to permit the collection of tolls without requiring vehicles using the facility to reduce their speed. The provision is to apply to toll facilities run by a state agency or instrumentality and non- or quasigovernmental entities operating tolls under the Public-Private Transportation Act of 1995. Currently, only the toll facility on the Chesapeake Bay Bridge Tunnel is not capable of electronic toll collection, although many toll facilities around the Commonwealth require users to slow their vehicles upon entering the toll plaza. It is not clear if the legislation will require VDOT to retrofit their toll plazas to allow vehicles to use the facility without slowing below the speed of traffic on the facility. If so, there would be costs to VDOT.

9. Specific agency or political subdivisions affected: Commonwealth Transportation Board, Department of Transportation, Chesapeake Bay Bridge Tunnel Commission, and Richmond Metropolitan Authority

10. Technical amendment necessary: None.

11. Other comments: None.

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cc: Secretary of Finance

Secretary of Transportation