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HOUSE BILL NO. 111

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Transportation
on February 5, 2008)

(Patrons Prior to Substitute—Delegates Scott, E.T., Athey [HB 1286] and Crockett-Stark [HB 571])

A BILL to amend and reenact § 33.1-23.05 of the Code of Virginia, relating to revenue-sharing funds for highway systems in certain counties, cities, and towns.

Be it enacted by the General Assembly of Virginia:

1. That § 33.1-23.05 of the Code of Virginia is amended and reenacted as follows:

§ 33.1-23.05. Revenue-sharing funds for systems in certain counties, cities, and towns.

A. From ~~annual allocations of state funds for the maintenance,~~ *revenues made available by the General Assembly after January 1, 2008, and appropriated for the improvement, construction, or reconstruction of the systems of state highways, the Commonwealth Transportation Board shall make an equivalent matching allocation to any county, city, or town for designations by the governing body of up to \$1 million in county, city, or town general funds for use by the county, city, or town to improve, construct, maintain, or improve reconstruct the highway systems within such county, city, or town. After adopting a resolution supporting the action, the governing body may request revenue-sharing funds to improve, construct, maintain, or improve reconstruct a highway system located in another locality, between two or more localities, or to bring subdivision streets, used as such prior to July 1, 1992, up to standards sufficient to qualify them for inclusion in the state primary and secondary system of highways. All requests for funding shall be accompanied by a prioritized listing of specified projects.*

B. The allocation of funds to localities shall be only for the purposes set forth in subsection A and shall be (i) ~~first when such governing body commits more than \$1 million in general funds for such purpose;~~ (ii) ~~second when such project is administered by the city, county, or town;~~ *In allocating funds under this section, the Board shall give priority (i) first when such project is administered by the county, city, or town, either directly or by contract with another entity, (ii) second, when such county, city, or town commits more local funding than the amount of revenue-sharing funding requested, and (iii) third when the allocation will accelerate an existing project in the Six-Year Improvement Program or the locality's capital plans; and (iv) from any.* Any funds remaining, *may be applied to any other request project that has a requires an equivalent matching allocation from the governing body.*

C. The Department will contract with the county, city, or town for the implementation of the project or projects. Such contract may cover either a single project or may provide for the locality's implementation of several projects during the fiscal year. The county, city, or town will undertake implementation of the particular project or projects by obtaining the necessary permits from the Department of Transportation in order to ensure that the improvement is consistent with the Department's standards for such improvements. *At the request of the locality, the Department may provide the locality with engineering, right-of-way acquisition, and/or construction services for a project with its own forces. The locality shall provide payment to the Department for any such services.* If administered by the Department, such contract shall also require that the governing body pay to the Department within 30 days the local revenue-sharing funds from its general fund upon written notice by the Department of its intent to proceed. *Any project having funds allocated under this program shall be initiated in such a fashion where at least a portion of such funds have been expended within two subsequent fiscal years of allocation. Any revenue-sharing funds for projects not initiated after two subsequent fiscal years of allocation may be reallocated at the discretion of the Commonwealth Transportation Board.*

D. ~~Up to one-half of any local government's contributions under this section may take the form of proffers accepted by the locality and deposited into their general fund.~~

E. Total Commonwealth funds allocated by the Board under this section shall not exceed \$50 million in any one fiscal year *and no less than \$15 million each fiscal year, subject to appropriation for such purpose.*

FE. ~~No more than three months prior to the end of any fiscal year in which less than \$50 million the full program allocation has been allocated by the Board to specific governing bodies, those localities requesting more than \$1 million the maximum allocation under subsection A may be allowed an additional allocation. The additional allocation shall be at the discretion of the Commonwealth Transportation Board among the localities receiving the maximum allocation under subsection A.~~

2. That the provisions of this act amending clause (i) of subsection B of § 33.1-23.05 of the Code of Virginia shall become effective on July 1, 2009.