

**Department of Planning and Budget**  
**2008 Special Session II**  
**Fiscal Impact Statement**

**1. Bill Number:** HB 6052

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

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

**2. Patron:** Oder, G.

**3. Committee:** House Appropriations

**4. Title:** **A Bill to amend the Commonwealth Transportation Capital Projects Bond Act of 2007 to reallocate the use of the net proceeds of the Bonds.**

**5. Summary:** The bill would amend the Commonwealth Transportation Capital Projects Bond Act of 2007 to ensure that net proceeds are allocated and used primarily for Interstate projects in Hampton Roads and projects in Northern Virginia that address problems related to Base Realignment and Closure (BRAC).

**6. Fiscal Impact Estimates:** Preliminary.

**7. Budget Amendment Necessary:** None.

**8. Fiscal implications:** Over \$1.7 billion in Capital Projects Revenue (CPR) bond proceeds have been allocated to projects through 2014 in the Six-Year Improvement Program (SYIP). HB 6052 amends the Commonwealth Transportation Capital Projects Bond Act of 2007 to alter the allocation of the net proceeds as follows: 35 percent to major Interstate construction projects in the Hampton Roads District to be pursued under the Public-Private Transportation Act of 1995 (PPTA), 47 percent to projects in the Northern Virginia District to address problems caused by Base Realignment and Closure (BRAC), and 18 percent to be allocated across all other construction districts on a pro rata basis based on the FY 2008 allocations to those districts from the Construction Fund.

The current total of CPR bond proceeds allocated in the SYIP is \$1.7 billion, \$700 million of which is allocated to districts other than Hampton Roads and Northern Virginia. If VDOT were to apply the 18 percent allocation authorized under HB 6052 to the districts other than Hampton Roads and Northern Virginia, total allocations to those districts would drop to \$300 million. This would necessitate removing \$400 million in funding from projects in those districts.

The structure of the use of the bond proceeds in the Commonwealth Transportation Capital Projects Bond Act of 2007 was to leverage federal, local and private funding to the maximum extent possible. Of the total \$1.7 billion in CPR bond allocations reflected in the SYIP, \$800 million is allocated as federal aid match. The allocation requirements in HB 6052 would require that CPR bond proceeds currently allocated to projects as funding to match federal aid be removed from those projects. As a result, it would be necessary to remove non-federal sources of funding currently on other projects in order to ensure VDOT federal aid

apportionments can continue to be fully utilized. In addition, this bill also eliminates \$210 million currently allocated to fund the Revenue Sharing Program. That program leverages local revenue sources for transportation improvements.

The bill does not seem to allocate any funding for transit or rail improvements, which are integral pieces of a coordinated transportation plan. Currently, the CTB has allocated \$400 million in the SYIP to transit and rail projects which would have to be removed under HB 6052.

**9. Specific Agency or Political Subdivisions Affected:** Department of Transportation,  
Department of Rail and Public Transportation

**10. Technical Amendment Necessary:** Two technical amendments are required. First, there is a drafting error in the bill. Lines 65 through 67 provide introductory language to a list; the list (lines 68 through 87) has been struck through. Lines 88 through 89 have been added and also provide introductory language to a list; that list has been added and appears on lines 90 through 102. Second, on line 96, "Defense Base Closure and Realignment Commission" should be "Defense Base Realignment and Closure Commission."

**11. Other Comments:** None.

**Date:** 7/8/2008 dpb/smc

**Document:** G:\GA\FIS 2008 SSI\HB6052.DOC

cc: Secretary of Transportation