

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: SB6006

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Stolle

3. Committee: Transportation

4. Title: **Transportation funding and administration for Hampton Roads.**

5. Summary: The proposed legislation would provide funds for transportation in Hampton Roads by capturing a portion of economic growth attributable to or facilitated by the public and private cargo marine terminals located in Hampton Roads. The bill would establish a ratio that measures certain state tax revenues on a per cargo container basis for containers handled in the ports. The revenue ratio would then be multiplied by the increase in cargo containers handled in the ports in the most recently ended fiscal year over the number of cargo containers handled in the ports in the base year.

The product of the revenue ratio and the increase in cargo containers handled would then be multiplied by 30 percent with the resulting amount deposited into a special fund, the Hampton Roads Transportation Revenue Fund. Beginning July 1, 2010, deposits would be made to the Fund in each fiscal year in accordance with the formula described herein. The bill, however, provides that the amount deposited to the Fund would not exceed \$250 million in any fiscal year.

The bill also repeals the Hampton Roads Transportation Authority and repeals certain fees and taxes authorized for the Authority pursuant to Chapter 896 of the Acts of Assembly of 2007.

6. Fiscal Impact Estimates: Unavailable.

7. Budget Amendment Necessary: None. The bill does not take effect until next biennium.

8. Fiscal Implications: The bill would redirect revenues which currently support the general fund to the newly created Hampton Roads Transportation Revenue Fund.

Five percent of the funding deposited into the fund in each year that relate to economic growth attributable to or facilitated by the ports would be distributed in equal shares to the Cities of Newport News, Norfolk, and Portsmouth to be used for local or regional projects relating to transportation. The bill provides that no more than \$15 million in aggregate would be distributed to such cities in any fiscal year.

The remaining revenues in the fund would be used by the Commonwealth Transportation Board for certain projects delineated in the bill or included in the federally mandated 2030 Regional Transportation Plan approved by the Hampton Roads Metropolitan Planning Organization.

9. Specific Agency or Political Subdivisions Affected: Department of Transportation, cities and counties in Hampton Roads, Hampton Roads Metropolitan Planning Organization

10. Technical Amendment Necessary: None.

11. Other Comments: None.

Date: 6/24/2008 dpb

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cc: Secretary of Transportation