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HOUSE BILL NO. 404

Offered January 13, 2010

Prefiled January 12, 2010

A BILL to amend and reenact §§ 15.2-4838.1 and 15.2-4840 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 48.2 of Title 15.2 a section numbered 15.2-4841 and by adding in Title 33.1 a chapter numbered 10.3, consisting of sections numbered 33.1-391.17 and 33.1-391.18, a chapter numbered 10.4, consisting of sections numbered 33.1-391.19 and 33.1-391.20, a chapter numbered 10.5, consisting of sections numbered 33.1-391.21 and 33.1-391.22, and a chapter numbered 10.6, consisting of sections numbered 33.1-391.23 and 33.1-391.24, and to repeal §§ 58.1-1724.2 and 58.1-1724.4 of the Code of Virginia and the thirteenth and eighteenth enactments of Chapter 896 of the Acts of Assembly of 2007, relating to transportation funding and administration in the Northern Virginia and Hampton Roads areas and in the Richmond Highway Construction District, the Staunton Highway Construction District, and the Salem Highway Construction District.

Patrons—Oder and Stolle

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That §§ 15.2-4838.1 and 15.2-4840 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 48.2 of Title 15.2 a section numbered 15.2-4841 and by adding in Title 33.1 a chapter numbered 10.3, consisting of sections numbered 33.1-391.17 and 33.1-391.18, a chapter numbered 10.4, consisting of sections numbered 33.1-391.19 and 33.1-391.20, a chapter numbered 10.5, consisting of sections numbered 33.1-391.21 and 33.1-391.22, and a chapter numbered 10.6, consisting of sections numbered 33.1-391.23 and 33.1-391.24, as follows:

§ 15.2-4838.1. Use of certain revenues by the Authority.

A. All moneys received by the Authority and the proceeds of bonds issued pursuant to § 15.2-4839 shall be used by the Authority solely for transportation purposes benefiting those counties and cities that are embraced by the Authority.

B. Forty percent of the revenues shall be distributed on a pro rata basis, with each locality's share being the total of such fees and taxes assessed or imposed by the Authority and received by the Authority that are generated or attributable to the locality divided by the total of such fees and taxes assessed or imposed by the Authority and received by the Authority. Of the revenues distributed pursuant to this subsection (i) in the Cities of Alexandria, Fairfax, and Falls Church and the County of Arlington the first 50% shall be used solely for urban or secondary road construction and improvements and for public transportation purposes; and (ii) in the remaining localities, the first 50% shall be used solely for urban or secondary road construction and improvements. The remainder, as determined solely by the applicable locality, shall be used either for additional urban or secondary road construction; for other transportation capital improvements which have been approved by the most recent long range transportation plan adopted by the Authority; or for public transportation purposes. Solely for purposes of calculating the 40% of revenues to be distributed pursuant to this subsection, the revenue generated pursuant to § 58.1-3221.3 and Article 8 (§ 15.2-2317 et seq.) of Chapter 22 of this title by the counties and cities embraced by the Authority shall be considered revenue of the Authority. None of the revenue distributed by this subsection may be used to repay debt issued before July 1, 2007. Each locality shall provide annually to the Northern Virginia Transportation Authority sufficient documentation as required by the Authority showing that the funds distributed under this subsection were used as required by this subsection.

CB. The remaining 60% of the revenues from such sources moneys received by the Authority shall be used by the Authority solely for transportation projects and purposes that benefit the counties and cities embraced by the Authority in consultation with members of the General Assembly and as may be required by any other law.

1. The Notwithstanding any other provisions of this chapter, revenues under this subsection shall be used first to pay any debt service owing on any bonds issued pursuant to § 15.2-4839, and then as follows:

a. The next \$50 million each fiscal year shall be distributed to the Washington Metropolitan Area Transit Authority (WMATA) and shall be used for capital improvements benefiting the area embraced by the Authority for WMATA's transit service (Metro). The Authority shall first make use of that

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59 portion of such annual distribution as may be necessary under the requirements of federal law for the
60 payment of federal funds to WMATA, but only if the matching federal funds are exclusive of and in
61 addition to the amount of other federal funds appropriated for such purposes and are in an amount not
62 less than the amount of such funds appropriated in the federal fiscal year ending September 30, 2007
63 2009;

64 For each year after 2018 any portion of the amount distributed pursuant to this subsection may be
65 used for mass transit improvements in Prince William County;

66 b. The next \$25 million each fiscal year shall be distributed to the Virginia Railway Express for
67 operating and capital improvements, including but not limited to track lease payments, construction of
68 parking, dedicated rail on the Fredericksburg line, rolling stock, expanded service in Prince William
69 County, and service as may be needed as a result of the Base Realignment and Closure Commission's
70 action regarding Fort Belvoir

71 2. All transportation projects undertaken by the Northern Virginia Transportation Authority shall be
72 completed by private contractors accompanied by performance measurement standards, and all contracts
73 shall contain a provision granting the Authority the option to terminate the contract if contractors do not
74 meet such standards. Notwithstanding the foregoing, any locality may provide engineering services or
75 right-of-way acquisition for any project with its own forces. The Authority shall avail itself of the
76 strategies permitted under the Public-Private Transportation Act (§ 56-556 et seq.) whenever feasible and
77 advantageous. The Authority is independent of any state or local entity, including the Virginia
78 Department of Transportation (VDOT) and the Commonwealth Transportation Board (CTB), but the
79 Authority, VDOT and CTB shall consult with one another to avoid duplication of efforts and, at the
80 option of the Authority, may combine efforts to complete specific projects. Notwithstanding the
81 foregoing, at the request of the Authority, VDOT may provide the Authority with engineering services
82 or right-of-way acquisition for the project with its own forces. When determining what projects to
83 construct under this subsection, the Authority shall base its decisions *on what project most efficiently*
84 *reduces congestion and then* on the combination that (i) equitably distributes the funds throughout the
85 localities, and (ii) constructs projects that move the most people or commercial traffic in the most
86 cost-effective manner, and on such other factors as approved by the Authority. *Of the projects selected,*
87 *a preference shall be given to fund projects that leverage other public or private funding sources,*
88 *including but not limited to funds from private sources pursuant to the Public-Private Transportation*
89 *Act of 1995 (§ 56-556 et seq.), funds from tolls, or funds provided by the Northern Virginia*
90 *Transportation Authority.*

91 3. All revenues deposited to the credit of the Authority shall be used for projects benefiting the
92 localities embraced by the Authority.

93 DC. For road construction and improvements pursuant to subsection B, the Department of
94 Transportation may, on a reimbursement basis, provide the locality with planning, engineering,
95 right-of-way, and construction services for projects funded in whole by the revenues provided to the
96 locality by the Authority.

97 § 15.2-4840. Other duties and responsibilities of Authority.

98 In addition to other powers herein granted, the Authority shall have the following duties and
99 responsibilities:

100 1. General oversight of regional programs involving mass transit or congestion mitigation, including,
101 but not necessarily limited to, carpooling, vanpooling, and ridesharing;

102 2. Long-range regional planning, both financially constrained and unconstrained;

103 3. Recommending to state, regional, and federal agencies regional transportation priorities, including
104 public-private transportation projects, and funding allocations;

105 4. Developing, in coordination with affected counties and cities, regional priorities and policies to
106 improve air quality;

107 5. Allocating to priority regional transportation projects any funds made available to the Authority
108 and, at the discretion of the Authority, directly overseeing such projects;

109 6. Recommending to the Commonwealth Transportation Board priority regional transportation
110 projects for receipt of federal and state funds;

111 7. Imposing, collecting, and setting the amount of tolls for use of facilities in the area embraced by
112 the Authority, when the facility is either newly constructed or reconstructed solely with revenues of the
113 Authority or solely with revenues under the control of the Authority in such a way as to increase the
114 facility's traffic capacity, with the amount of any tolls variable by time of day, day of the week, vehicle
115 size or type, number of axles, or other factors as the Authority may deem proper, and with all such tolls
116 to be used for programs and projects that are reasonably related to or benefit the users of the applicable
117 facility, including, but not limited to, for the debt service and other costs of bonds whose proceeds are
118 used for such construction or reconstruction;

119 8. General oversight of regional transportation issues of a multijurisdictional nature, including but not
120 limited to intelligent transportation systems, signalization, and preparation for and response to

emergencies;

9. Serving as an advocate for the transportation needs of Northern Virginia before the state and federal governments;

10. Applying to and negotiating with the government of the United States, the Commonwealth of Virginia, or any agency, instrumentality, or political subdivision thereof, for grants and any other funds available to carry out the purposes of this chapter and receiving, holding, accepting, and administering from any source gifts, bequests, grants, aid, or contributions of money, property, labor, or other things of value to be held, used and applied to carry out the purposes of this chapter subject, however, to any conditions upon which gifts, bequests, grants, aid, or contributions are made. Unless otherwise restricted by the terms of the gift, bequest, or grant, the Authority may sell, exchange, or otherwise dispose of such money, securities, or other property given or bequeathed to it in furtherance of its purposes; and

11. Acting as a "responsible public entity" for the purpose of the acquisition, construction, improvement, maintenance and/or operation of a "qualifying transportation facility" under the Public-Private Transportation Act of 1995 (§ 56-556 et seq.); and

12. To decide and vote to impose certain fees and taxes authorized under law for imposition or assessment by the Authority, provided that any such fee or tax assessed or imposed is assessed or imposed in all counties and cities embraced by the Authority. The revenues from such certain fees and taxes shall be kept in a separate account and shall be used only for the purposes provided in this chapter.

§ 15.2-4841. Revenues attributable to economic growth in Northern Virginia.

A. As used in this section, unless the context clearly shows otherwise:

"Base state tax revenues" means the state tax revenues in the Commonwealth's fiscal year beginning July 1, 2009.

"Net revenues" means tax revenues less the applicable portion of any refunds.

"State tax revenues" means the net revenues collected from the (i) state sales and use tax pursuant to Chapter 6 (§ 58.1-600 et seq.) of Title 58.1, (ii) individual income tax pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, (iii) corporate income tax pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, plus (iv) insurance license tax pursuant to Chapter 25 (§ 58.1-2500 et seq.) of Title 58.1 for the Commonwealth's fiscal year, beginning July 1, 2009.

B. There is hereby appropriated to the Northern Virginia Transportation Authority ("Authority") 30 percent of the growth in state tax revenues as defined in subsection A, attributable to the counties, cities, and towns embraced by the Northern Virginia Transportation Authority. The amount appropriated in each year shall be determined as follows:

1. For calculating the 30 percent growth in individual income tax pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, the 30 percent growth share shall be based on the individual income tax liability for individuals residing in the counties, cities, and towns embraced by the Northern Virginia Transportation Authority. Annually, the Department shall establish the total amount of individual income tax liability for such residents using data from the most recent calendar year for which tax liability has been calculated and from that amount, subtract the individual income tax liability for such residents from the next previous calendar year. If such calculations show an increase in tax liability, the resulting amount shall be multiplied by 0.30 and the resulting sum shall be paid to the Northern Virginia Transportation Authority no later than January 1 of each year.

2. For calculating the 30 percent growth in corporate income tax pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, the 30 percent growth shall be based on the corporate income tax liability for corporations located in the counties, cities, and towns embraced by the Northern Virginia Transportation Authority. Annually, the Department shall establish the total amount of individual income tax liability for such corporations using data from the most recent previous calendar year. If such calculations show an increase in tax liability, the resulting amount shall be multiplied by 0.30 and the resulting sum shall be paid to the Northern Virginia Transportation Authority no later than January 1 of each year.

3. For calculating the 30 percent growth in insurance license tax pursuant to Chapter 25 (§ 58.1-2500 et seq.) of Title 58.1, the 30 percent growth shall be based on the amount of revenue generated from the localities embraced by the Northern Virginia Transportation Authority in the most recently completed fiscal year less the revenue generated from the localities embraced by such Authority in the next previous fiscal year. The resulting amount, if positive, shall be multiplied by 0.30, and the resulting sum shall be paid to the Northern Virginia Transportation Authority no later than January 1 of each year.

4. For calculating the 30 percent growth in state sales and use tax pursuant to Chapter 6 (§ 58.1-600 et seq.) of Title 58.1, the 30 percent growth shall be based on the amount of revenue generated from the localities embraced by the Northern Virginia Transportation Authority in the most recently completed fiscal year less the revenue generated from the localities embraced by such Authority

182 in the next previous year. The resulting amount, if positive, shall be multiplied by 0.30, and the resulting
183 sum shall be paid to the Northern Virginia Transportation Authority no later than January 1 of each
184 year.

185 C. The Secretary of Finance, in consultation with the Secretary of Transportation, shall determine
186 the amount to be transferred to the Authority in each fiscal year in accordance with the provisions of
187 this section. The Secretary of Finance shall provide a written certification of the same to the
188 Comptroller by August 31 each year. The Comptroller shall then transfer such amount to the Authority
189 by making four equal deposits on the fifteenth of September, December, March, and June.

190 D. Notwithstanding any other provision of this section, the amount transferred to the Authority
191 pursuant to this section shall not exceed \$600 million in any fiscal year.

192 CHAPTER 10.3.

193 HAMPTON ROADS TRANSPORTATION FUNDING.

194 § 33.1-391.17. Hampton Roads Transportation Revenue Fund established.

195 There is hereby created in the state treasury a special nonreverting fund to be known as the
196 Hampton Roads Transportation Revenue Fund, hereafter referred to as "the Fund." The Fund shall be
197 established on the books of the Comptroller. Interest earned on moneys in the Fund shall remain in the
198 Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of
199 each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund
200 shall be used solely for new transportation construction projects in the Counties of Isle of Wight, James
201 City, and York, and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth,
202 Suffolk, Virginia Beach, and Williamsburg, as required by law; and then as determined by the Hampton
203 Roads Metropolitan Planning Organization.

204 § 33.1-391.18. Revenues attributable to economic growth from cargo marine terminals deposited into
205 the Hampton Roads Transportation Revenue Fund.

206 A. As used in this section, unless the context clearly shows otherwise:

207 "Base number of cargo containers" means the cargo containers in the Commonwealth's fiscal year
208 beginning July 1, 2009.

209 "Cargo container" means the number of cargo containers loaded onto, or unloaded from, ships in
210 the ports for commerce in a fiscal year, measured in 20-foot-equivalent units.

211 "Net revenues" means the gross revenues less the applicable portion of any refunds.

212 "Ports" means the public and private general cargo marine terminals located in Hampton Roads.

213 "State tax revenues" means the net revenues collected from the (i) state sales tax pursuant to Chapter
214 6 (§ 58.1-600 et seq.) of Title 58.1, (ii) individual income tax pursuant to Chapter 3 (§ 58.1-300 et seq.)
215 of Title 58.1, (iii) corporate income tax pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, plus
216 (iv) insurance license tax pursuant to Chapter 25 (§ 58.1-2500 et seq.) of Title 58.1 for the
217 Commonwealth's fiscal year beginning July 1, 2009.

218 B. There shall be deposited into the Hampton Roads Transportation Revenue Fund established under
219 § 33.1-391.17 a portion of the growth in state taxes attributable to economic activity generated or
220 facilitated by the Ports of Hampton Roads. The amount deposited into the Fund in each fiscal year shall
221 be determined using the following revenue ratio: state tax revenues attributable to economic activity
222 generated or facilitated by the ports/Base number of cargo containers.

223 The General Assembly intends for the revenue ratio to be a measure of the state revenues
224 attributable to economic activity of the ports on a per-cargo-container basis.

225 Deposits to the Fund shall begin in the Commonwealth's fiscal year starting on July 1, 2011. For
226 such fiscal year, the amount deposited to the Fund shall be computed by:

227 1. First multiplying the revenue ratio by the increase in cargo containers for the most recently ended
228 fiscal year over the base number of cargo containers, and

229 2. Second multiplying such product by 30 percent.

230 As a result, the amount deposited into the Fund for the Commonwealth's fiscal year starting on July
231 1, 2011, shall be computed using the following formula: revenue ratio X (increase in cargo containers
232 in fiscal year 2010-2011 over the base number of cargo containers) X 0.30.

233 For the fiscal year starting on July 1, 2012, and for each fiscal year thereafter, the amount
234 deposited into the Fund shall be computed using such formula except that the cargo containers in the
235 most recently ended fiscal year shall be used for determining the increase over the base number of
236 cargo containers.

237 C. The Secretary of Finance, in consultation with the Secretary of Transportation, shall determine
238 the revenue ratio. In determining the numerator of the revenue ratio or the state tax revenues
239 attributable to economic activity generated or facilitated by the ports, the Secretary shall include state
240 tax revenues from (i) port operations, including but not limited to revenues from pilots, longshoremen,
241 truck and rail transportation, insurance, warehousing, storage, and ship servicing; (ii) the production in
242 Virginia of goods exported through the ports; (iii) imports sold to citizens of the Commonwealth or used
243 as inputs by businesses located in the Commonwealth or by Virginia state and local governmental

entities; and (iv) employee compensation, fuel costs, business and professional services, power, and communications relating to the factors set forth in clauses (i) through (iii). The Secretary shall determine the revenue ratio no later than January 1, 2011, and shall promptly report the same to the chairmen of the House Committee on Appropriations, the House Committee on Finance, and the Senate Committee on Finance.

D. The Secretary of Finance, in consultation with the Secretary of Transportation, shall determine the amount to be deposited into the Fund in each fiscal year in accordance with the provisions of this section. The Secretary of Finance shall provide a written certification of the same to the Comptroller by August 31 each year. The Comptroller shall then deposit such amount into the Fund by making four equal deposits into the Fund on the fifteenth of September, December, March, and June.

E. Notwithstanding any other provision of this section, the amount deposited into the Fund pursuant to this section shall not exceed \$300 million in any fiscal year.

CHAPTER 10.4.

STAUNTON HIGHWAY CONSTRUCTION DISTRICT TRANSPORTATION FUNDING.

§ 33.1-391.19. Staunton Highway Construction District Transportation Revenue Fund established.

There is hereby created in the state treasury a special nonreverting fund to be known as the Staunton Highway Construction District Transportation Revenue Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for new transportation construction projects in the Staunton Highway Construction District as determined by the Commonwealth Transportation Board.

§ 33.1-391.20. Revenues attributable to economic growth from cargo commerce deposited into the Staunton Highway Construction District Transportation Revenue Fund.

A. As used in this section, unless the context clearly shows otherwise:

"Base number of cargo containers" means the cargo containers in the Commonwealth's fiscal year beginning July 1, 2009.

"Cargo container" means the number of cargo containers loaded onto, or unloaded at the port for commerce in a fiscal year, measured in 20-foot-equivalent units.

"Net revenues" means the gross revenues less the applicable portion of any refunds.

"Port" means the Inland Port at Front Royal.

"State tax revenues" means the net revenues collected from the (i) state sales tax pursuant to Chapter 6 (§ 58.1-600 et seq.) of Title 58.1, (ii) individual income tax pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, (iii) corporate income tax pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, plus (iv) insurance license tax pursuant to Chapter 25 (§ 58.1-2500 et seq.) of Title 58.1 for the Commonwealth's fiscal year beginning July 1, 2009.

B. There shall be deposited into the Staunton Highway Construction District Transportation Revenue Fund established under § 33.1-391.19 a portion of the growth in state taxes attributable to economic activity generated or facilitated by the Port. The amount deposited into the Fund in each fiscal year shall be determined using the following revenue ratio: state tax revenues attributable to economic activity generated or facilitated by the port/Base number of cargo containers.

The General Assembly intends for the revenue ratio to be a measure of the state revenues attributable to economic activity of the port on a per-cargo-container basis.

Deposits to the Fund shall begin in the Commonwealth's fiscal year starting on July 1, 2011. For such fiscal year, the amount deposited to the Fund shall be computed by:

1. First multiplying the revenue ratio by the increase in cargo containers for the most recently ended fiscal year over the base number of cargo containers, and

2. Second multiplying such product by 30 percent (0.30).

As a result, the amount deposited into the Fund for the Commonwealth's fiscal year starting on July 1, 2011, shall be computed using the following formula: revenue ratio X (increase in cargo containers in fiscal year 2010-2011 over the base number of cargo containers) X 0.30.

For the fiscal year starting on July 1, 2012, and for each fiscal year thereafter, the amount deposited into the Fund shall be computed using such formula except that the cargo containers in the most recently ended fiscal year shall be used for determining the increase over the base number of cargo containers.

C. The Secretary of Finance, in consultation with the Secretary of Transportation, shall determine the revenue ratio. In determining the numerator of the revenue ratio or the state tax revenues attributable to economic activity generated or facilitated by the port, the Secretary shall include state tax revenues from (i) port operations, including but not limited to revenues from truck and rail transportation, insurance, warehousing, and storage; (ii) the production in Virginia of goods carried from the port for export; (iii) imports sold to citizens of the Commonwealth or used as inputs by

305 businesses located in the Commonwealth or by Virginia state and local governmental entities; and (iv)
306 employee compensation, fuel costs, business and professional services, power, and communications
307 relating to the factors set forth in clauses (i) through (iii). The Secretary shall determine the revenue
308 ratio no later than January 1, 2011, and shall promptly report the same to the chairmen of the House
309 Committee on Appropriations, the House Committee on Finance, and the Senate Committee on Finance.

310 D. The Secretary of Finance, in consultation with the Secretary of Transportation, shall determine
311 the amount to be deposited into the Fund in each fiscal year in accordance with the provisions of this
312 section. The Secretary of Finance shall provide a written certification of the same to the Comptroller by
313 August 31 each year. The Comptroller shall then deposit such amount into the Fund by making four
314 equal deposits into the Fund on the fifteenth of September, December, March, and June.

315 E. Notwithstanding any other provision of this section, the amount deposited into the Fund pursuant
316 to this section shall not exceed \$50 million in any fiscal year.

317 CHAPTER 10.5.

318 RICHMOND HIGHWAY CONSTRUCTION DISTRICT TRANSPORTATION FUNDING.

319 § 33.1-391.21. Richmond Highway Construction District Transportation Revenue Fund established.

320 There is hereby created in the state treasury a special nonreverting fund to be known as the
321 Richmond Highway Construction District Transportation Revenue Fund, hereafter referred to as "the
322 Fund." The Fund shall be established on the books of the Comptroller. Interest earned on moneys in the
323 Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including
324 interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in
325 the Fund. Moneys in the Fund shall be used solely for new transportation construction projects in the
326 Richmond Highway Construction District as determined by the Commonwealth Transportation Board.

327 § 33.1-391.22. Revenues attributable to economic growth from cargo marine terminals deposited into
328 the Richmond Highway Construction District.

329 A. As used in this section, unless the context clearly shows otherwise:

330 "Base number of cargo containers" means the cargo containers in the Commonwealth's fiscal year
331 beginning July 1, 2009.

332 "Cargo container" means the number of cargo containers loaded onto, or unloaded from, ships in
333 the port for commerce in a fiscal year, measured in 20-foot-equivalent units.

334 "Net revenues" means the gross revenues less the applicable portion of any refunds.

335 "Port" means the Port of Richmond.

336 "State tax revenues" means the net revenues collected from the (i) state sales tax pursuant to Chapter
337 6 (§ 58.1-600 et seq.) of Title 58.1, (ii) individual income tax pursuant to Chapter 3 (§ 58.1-300 et seq.)
338 of Title 58.1, (iii) corporate income tax pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, plus
339 (iv) insurance license tax pursuant to Chapter 25 (§ 58.1-2500 et seq.) of Title 58.1 for the
340 Commonwealth's fiscal year beginning July 1, 2009.

341 B. There shall be deposited into the Richmond Highway Construction District Transportation
342 Revenue Fund established under § 33.1-391.21 a portion of the growth in state taxes attributable to
343 economic activity generated or facilitated by the Port. The amount deposited into the Fund in each
344 fiscal year shall be determined using the following revenue ratio: state tax revenues attributable to
345 economic activity generated or facilitated by the port/Base number of cargo containers.

346 The General Assembly intends for the revenue ratio to be a measure of the state revenues
347 attributable to economic activity of the port on a per-cargo-container basis.

348 Deposits to the Fund shall begin in the Commonwealth's fiscal year starting on July 1, 2011. For
349 such fiscal year, the amount deposited to the Fund shall be computed by:

350 1. First multiplying the revenue ratio by the increase in cargo containers for the most recently ended
351 fiscal year over the base number of cargo containers, and

352 2. Second multiplying such product by 30 percent (0.30).

353 As a result, the amount deposited into the Fund for the Commonwealth's fiscal year starting on July
354 1, 2011, shall be computed using the following formula: revenue ratio X (increase in cargo containers
355 in fiscal year 2010-2011 over the base number of cargo containers) X 0.30.

356 For the fiscal year starting on July 1, 2012, and for each fiscal year thereafter, the amount
357 deposited into the Fund shall be computed using such formula except that the cargo containers in the
358 most recently ended fiscal year shall be used for determining the increase over the base number of
359 cargo containers.

360 C. The Secretary of Finance, in consultation with the Secretary of Transportation, shall determine
361 the revenue ratio. In determining the numerator of the revenue ratio or the state tax revenues
362 attributable to economic activity generated or facilitated by the port, the Secretary shall include state
363 tax revenues from (i) port operations, including but not limited to revenues from pilots, longshoremen,
364 truck and rail transportation, insurance, warehousing, storage, and ship servicing; (ii) the production in
365 Virginia of goods exported through the port; (iii) imports sold to citizens of the Commonwealth or used
366 as inputs by businesses located in the Commonwealth or by Virginia state and local governmental

entities; and (iv) employee compensation, fuel costs, business and professional services, power, and communications relating to the factors set forth in clauses (i) through (iii). The Secretary shall determine the revenue ratio no later than January 1, 2011, and shall promptly report the same to the chairmen of the House Committee on Appropriations, the House Committee on Finance, and the Senate Committee on Finance.

D. The Secretary of Finance, in consultation with the Secretary of Transportation, shall determine the amount to be deposited into the Fund in each fiscal year in accordance with the provisions of this section. The Secretary of Finance shall provide a written certification of the same to the Comptroller by August 31 each year. The Comptroller shall then deposit such amount into the Fund by making four equal deposits into the Fund on the fifteenth of September, December, March, and June.

E. Notwithstanding any other provision of this section, the amount deposited into the Fund pursuant to this section shall not exceed \$50 million in any fiscal year.

CHAPTER 10.6.

SALEM HIGHWAY CONSTRUCTION DISTRICT TRANSPORTATION FUNDING.

§ 33.1-391.23. Salem Highway Construction District Transportation Revenue Fund established.

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Salem Highway Construction District Transportation Revenue Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for construction of the Elliston Intermodal Facility.

B. Fifty percent of the moneys in the Fund shall be used for construction of I-73 beginning in Henry County and using the existing Route 58 bypass.

§ 33.1-391.24. Revenues attributable to economic growth deposited into the Salem Highway Construction District Transportation Revenue Fund.

A. As used in this section, unless the context clearly shows otherwise:

"Facility" means the Elliston Intermodal Facility.

"Net revenues" means the gross revenues less the applicable portion of any refunds.

"State tax revenues" means the net revenues collected from the (i) state sales tax pursuant to Chapter 6 (§ 58.1-600 et seq.) of Title 58.1, (ii) individual income tax pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, (iii) corporate income tax pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, plus (iv) insurance license tax pursuant to Chapter 25 (§ 58.1-2500 et seq.) of Title 58.1 for the Commonwealth's fiscal year beginning July 1, 2009.

B. There shall be deposited into the Salem Highway Construction District Transportation Revenue Fund established under § 33.1-391.23 a portion of the growth in state taxes expected to be generated by economic activity or facilitated by the Facility, in such amount as specified in the Appropriations Act.

Deposits to the Fund shall begin in the Commonwealth's fiscal year starting on July 1, 2011, and continue for each fiscal year thereafter.

2. § 1. That within 90 days of the effective date of this act, the Virginia Department of Transportation (VDOT) shall develop and distribute requests for proposals for the following under the Public-Private Transportation Act of 1995 (§ 56-556 et seq.) of the Code of Virginia, either as concession agreements or otherwise:

1. Construction of the Third Crossing of Hampton Roads, linking the City of Newport News to the City of Suffolk and the City of Norfolk. In addition to a single request for proposals covering both of these projects if VDOT deems such single request prudent, there shall also be two distinct requests for proposals for each of these two projects, and each of the two projects may be constructed independent of the other;

2. Construction of the Southeastern Expressway/Dominion Boulevard system in the City of Chesapeake and the City of Virginia Beach;

3. Widening of Interstate Route 64 in the City of Chesapeake from Battlefield Boulevard to Bowers Hill, including the High Rise Bridge over the Southern Branch of the Elizabeth River;

4. Widening of Interstate Route 64 from Bland Boulevard in the City of Newport News to Virginia Route 199 in James City County;

5. Widening of Interstate Route 64 from Virginia Route 199 in James City County to exit 200 to Interstate Route 295 in New Kent County; and

6. Expansion of the Hampton Roads Bridge Tunnel between the City of Hampton and the City of Norfolk by construction of a third bridge-tunnel structure.

§ 2. All requests for proposals developed and distributed pursuant to this act shall allow for individual project submissions, multiple project submissions, and cooperative agreements from corporations that may wish to cooperate in responding to these requests for proposals.

All such requests for proposals issued by the Department under this act shall require that proposals

428 submitted in response to such requests be submitted within 60 days of the issuance of the request for
429 proposal to which it is a response.

430 § 3. Notwithstanding any contrary provision of the Public-Private Transportation Act of 1995
431 (§ 56-556 et seq.) of the Code of Virginia, all proposals submitted for the Hampton Roads area
432 pursuant to this act shall be reviewed by a committee comprised as follows: three members of the
433 Commonwealth Transportation Board, appointed by the Commonwealth Transportation Commissioner;
434 one Senator from the Peninsula and one Senator from Southside Hampton Roads, appointed by the
435 Senate Committee on Rules; two Delegates from the Peninsula and two Delegates from Southside
436 Hampton Roads, appointed by the Speaker of the House of Delegates; the Virginia Secretary of
437 Transportation; the District Administrator of the Suffolk Highway Construction District; the chairman of
438 the Hampton Roads Metropolitan Planning Organization; and two residents of Hampton Roads,
439 appointed by the Governor.

440 This committee shall review the proposals and decide which, if any, proposals it will accept and
441 provide to the General Assembly, the Department, and the Commonwealth Transportation Board, no
442 later than 60 days after submissions are closed, a list of the proposals it will accept. Such proposals
443 shall then be accepted and carried out by the Department and the Commonwealth Transportation
444 Board. Any funds that may be needed by the Department and the Commonwealth Transportation Board
445 to carry out the approved recommendations may be withdrawn from the Hampton Roads Transportation
446 Revenue Fund established by § 33.1-391.17 of the Code of Virginia, in addition to using any other funds
447 appropriated for the projects.

448 § 4. Any funds received from private entities pursuant to the concession agreements, or other similar
449 agreements, for the projects set forth in § 1 shall be deposited into the State Treasury. All such funds
450 shall be remitted by the Comptroller on a monthly basis from the general fund of the State Treasury to
451 the Hampton Roads Transportation Revenue Fund established by § 33.1-391.17 of the Code of Virginia.

452 3. That the revenues generated by the provisions of this act shall not be used to calculate or
453 reduce the share of local, federal, and state revenues otherwise available to any locality. Further,
454 such revenues and moneys shall not be included in any computation of, or formula for, a locality's
455 ability to pay for public education, upon which appropriations of state revenues to local
456 governments for public education are determined.

457 4. That each county or city that receives revenue from, or receives benefits from revenue
458 appropriated pursuant to the provisions of this act shall for each fiscal year in which it receives
459 such revenue or benefits expend or disburse for transportation purposes an amount (computed
460 without regard to any revenues generated in the fiscal year from such taxes) that is at least equal
461 to the total amount expended or disbursed for transportation purposes by the county or city in its
462 fiscal year that began in calendar year 2009.

463 5. That §§ 58.1-1724.2 and 58.1-1724.4 of the Code of Virginia, and the thirteenth and eighteenth
464 enactments of Chapter 896 of the Acts of Assembly of 2007 are repealed.

465 6. That should any portion of this act be held unconstitutional by a court of competent
466 jurisdiction, the remaining portions of this act shall remain in effect.