

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: HB421

House of Origin	<u> X </u>	Introduced	<u> </u>	Substitute	<u> </u>	Engrossed
Second House	<u> </u>	In Committee	<u> </u>	Substitute	<u> </u>	Enrolled

2. Patron: Hope

3. Committee: House Transportation

4. Title: Allocation by CTB of funds for transit projects.

5. Summary: The proposed legislation would require the Commonwealth Transportation Board (CTB), in allocating funds in the Commonwealth Mass Transit Fund for transit, to give first priority to transit operating costs rather than transit capital projects. Section 58.1-638, Code of Virginia, requires that at least 73.5 percent of the Mass Transit Fund is to be used for operating expenditures.

6. Fiscal Impact Estimates: Preliminary. See Item 8.

7. Budget Amendment Necessary: Yes. See Item 8.

8. Fiscal Implications: The proposed legislation would direct the CTB to fund mass transit operating costs prior to providing funding for transit capital projects. Item 447 A.1. in the proposed budget allocates the funding contained in the Commonwealth Mass Transit Fund. The appropriation act language provides about 20 percent of the funding to transit capital projects. If the intent of the proposed legislation is to be followed, the language in Item 447 A.1. would need to be modified.

The proposed bill would not alter the total amount of funding contained in the Commonwealth Mass Transit Fund, but would potentially alter the amounts distributed to transit operators. The bill would also potentially eliminate the amount available for transit capital grants.

9. Specific Agency or Political Subdivisions Affected: Department of Transportation, transit operators

10. Technical Amendment Necessary: None.

11. Other Comments: None.

Date: 2/1/2010 dpb/smc

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