

Department of Planning and Budget 2016 Fiscal Impact Statement

1. Bill Number: HB224

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Marshall, R.

3. Committee: House Transportation

4. Title: Tolls for use of Interstate System components

5. Summary Requires prior approval by the General Assembly before any tolls may be imposed or collected for the use on any component of the Interstate System.

6. Budget Amendment Necessary: Yes. Possible language amendments under Items 453 and 455.

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

8. Fiscal Implications: According to the Virginia Department of Transportation (VDOT), it has expended \$29 million in federal funds on Transform66: Outside the Beltway, with the anticipation of tolls to support the completion this project. If tolls are prohibited, this project cannot advance, and the Commonwealth will be responsible for reimbursing the Federal Highway Administration for those funds. Any repayment to the federal government would have to come from state funds, preventing them from being available for new construction projects.

In addition, VDOT has committed expenses of approximately \$5 million in funds from the Toll Facilities Revolving Account to complete the concept development, feasibility work, and design of toll projects on I-66 inside the beltway. To date, approximately \$2.5 million has been billed and the remaining half has been allocated to active task orders that will be billed through the end of February 2016. There is also an active procurement for a toll integrator, which was initiated on January 8, 2016.

By statute, all funds from the Toll Facilities Revolving Account have to be reimbursed for any advanced funding provided to establish new toll roads with toll revenues from the new project. The Commonwealth Transportation Board is also contractually obligated to provide an additional \$5 million to the Northern Virginia Transportation Commission for improvements to the I-66 corridor, which is also supposed to come from new toll revenues. Budget amendments may be necessary to provide these funds outside of the existing formulas to meet the contractual obligations of the Commonwealth Transportation Board and to take funds from other priority projects to reimburse the Toll Facilities Revolving Account for the existing expenditures.

In addition, the Commonwealth will need to identify at least \$122 million in funds for the future widening of eastbound I-66 from the Dulles Connector Road to Ballston that would otherwise be funded with toll revenues.

The requirement for General Assembly approval of all toll projects could reduce the effectiveness of the Commonwealth's Public-Private Transportation Act Program, potentially raising costs due to delays in decisions to advance large projects within the Commonwealth.

- 9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Transportation; Commonwealth Transportation Board; Regional Authorities that have approval authority over interstate projects.

10. Technical Amendment Necessary: No

11. Other Comments: No