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HOUSE BILL NO. 765

Offered January 10, 2018

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A BILL to amend and reenact §§ 2.2-229, 15.2-2223, 33.2-201, 33.2-214, 33.2-214.1, 33.2-223, 33.2-232, and 33.2-357 of the Code of Virginia, relating to transportation processes in the Commonwealth; responsibilities of transportation entities; funding.

Patrons—Jones, S.C. and Torian

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-229, 15.2-2223, 33.2-201, 33.2-214, 33.2-214.1, 33.2-223, 33.2-232, and 33.2-357 of the Code of Virginia are amended and reenacted as follows:

§ 2.2-229. Office of Intermodal Planning and Investment of the Secretary of Transportation.

A. There is hereby established the Office of Intermodal Planning and Investment of the Secretary of Transportation (the Office), consisting of a director, appointed by the Secretary of Transportation, and such additional transportation professionals as the Secretary of Transportation shall determine. It shall be the duty of the Office to support and advise the Secretary in his role as chairman of the Commonwealth Transportation Board.

B. The goals of the Office shall be:

1. To promote transparency and accountability of the programming of transportation funds, including the development of the Six-Year Improvement Program pursuant to § 33.2-214 and the statewide prioritization process pursuant to § 33.2-214.1;

2. To ensure that the Commonwealth has a multimodal transportation system that promotes economic development and all transportation modes, intermodal connectivity, environmental quality, accessibility for people and freight, and transportation safety;

3. To encourage the use of innovation and best practices to improve the efficiency of the Commonwealth's surface transportation network and to enhance the efficacy of strategies to improve such efficiency; and

4. To promote the coordination between transportation investments and land use planning.

C. The responsibilities of the Office shall be:

1. To oversee and coordinate with the Department of Transportation and the Department of Rail and Public Transportation the development of ~~develop~~, for the Commonwealth Transportation Board's approval, the Six-Year Improvement Program pursuant to § 33.2-214 and the Statewide Transportation Improvement Program pursuant to Titles 23 and 49 of the United States Code for the Commonwealth Transportation Board;

2. To implement the statewide prioritization process developed by the Commonwealth Transportation Board pursuant to § 33.2-214.1 in coordination with the Department of Transportation and the Department of Rail and Public Transportation;

3. To develop, for the Commonwealth Transportation Board's approval, the Statewide Transportation Plan pursuant to § 33.2-353;

4. To develop measures and targets related to the performance of the Commonwealth's surface transportation network for the Commonwealth Transportation Board's approval and report annually on progress made to achieve such targets in coordination with the Department of Transportation and the Department of Rail and Public Transportation and to develop in coordination with applicable regional organizations quantifiable and achievable goals pursuant to ~~§ 33.2-353~~, including any performance measurement required by Title 23 or 49 of the United States Code;

5. To undertake, identify, coordinate, and oversee studies of potential highway, transit, rail, and other improvements or strategies, to help address needs identified in the Statewide Transportation Plan pursuant to § 33.2-353;

6. To assist the Commonwealth Transportation Board in the development of a comprehensive, multimodal transportation policy, which may be developed as part of the Statewide Transportation Plan pursuant to § 33.2-353; and

7. To provide technical assistance to local governments and regional entities, including assistance to establish and promote urban development areas pursuant to § 15.2-2223.1-;

8. To oversee the development of, for the Commonwealth Transportation Board's approval, the annual budget and the six-year financial plan for the Commonwealth Transportation Fund; and

9. To oversee and manage, subject to approval of the Commonwealth Transportation Board, the

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59 *Virginia Transportation Infrastructure Bank established pursuant to § 33.2-1502 and the Toll Facilities*
60 *Revolving Account established pursuant to § 33.2-1529.*

61 *D. In carrying out its responsibilities pursuant to subsection C, the Office shall coordinate with the*
62 *Department of Transportation and the Department of Rail and Public Transportation, as appropriate.*

63 **§ 15.2-2223. Comprehensive plan to be prepared and adopted; scope and purpose.**

64 A. The local planning commission shall prepare and recommend a comprehensive plan for the
65 physical development of the territory within its jurisdiction and every governing body shall adopt a
66 comprehensive plan for the territory under its jurisdiction.

67 In the preparation of a comprehensive plan, the commission shall make careful and comprehensive
68 surveys and studies of the existing conditions and trends of growth, and of the probable future
69 requirements of its territory and inhabitants. The comprehensive plan shall be made with the purpose of
70 guiding and accomplishing a coordinated, adjusted and harmonious development of the territory which
71 will, in accordance with present and probable future needs and resources, best promote the health,
72 safety, morals, order, convenience, prosperity and general welfare of the inhabitants, including the
73 elderly and persons with disabilities.

74 The comprehensive plan shall be general in nature, in that it shall designate the general or
75 approximate location, character, and extent of each feature, including any road improvement and any
76 transportation improvement, shown on the plan and shall indicate where existing lands or facilities are
77 proposed to be extended, widened, removed, relocated, vacated, narrowed, abandoned, or changed in use
78 as the case may be.

79 B. 1. As part of the comprehensive plan, each locality shall develop a transportation plan that
80 designates a system of transportation infrastructure needs and recommendations that include the
81 designation of new and expanded transportation facilities and that support the planned development of
82 the territory covered by the plan and shall include, as appropriate, but not be limited to, roadways,
83 bicycle accommodations, pedestrian accommodations, railways, bridges, waterways, airports, ports, and
84 public transportation facilities. The plan shall recognize and differentiate among a hierarchy of roads
85 such as expressways, arterials, and collectors. In developing the plan, the locality shall take into
86 consideration how to align transportation infrastructure and facilities with affordable, accessible housing
87 and community services that are located within the territory in order to facilitate community integration
88 of the elderly and persons with disabilities. The Virginia Department of Transportation shall, upon
89 request, provide localities with technical assistance in preparing such transportation plan.

90 2. The transportation plan shall include a map that shall show road and transportation improvements,
91 including the cost estimates of such road and transportation improvements from the Virginia Department
92 of Transportation, taking into account the current and future needs of residents in the locality while
93 considering the current and future needs of the planning district within which the locality is situated.

94 3. The transportation plan, and any amendment thereto pursuant to § 15.2-2229, shall be consistent
95 with the Commonwealth Transportation Board's Statewide Transportation Plan developed pursuant to
96 § 33.2-353, the Six-Year Improvement Program adopted pursuant to subsection B of § 33.2-214, and the
97 location of routes to be followed by roads comprising systems of state highways pursuant to subsection
98 A of § 33.2-208. The locality shall consult with the Virginia Department of Transportation to assure
99 such consistency is achieved. The transportation plan need reflect only those changes in the annual
100 update of the Six-Year Improvement Program that are deemed to be significant new, expanded, or
101 relocated roadways.

102 4. Prior to the adoption of the transportation plan or any amendment to the transportation plan, the
103 locality shall submit such plan or amendment to the Department for review and comment. The
104 Department shall conduct its review and provide written comments to the locality on the consistency of
105 the transportation plan or any amendment to the provisions of subdivision 1. The Department shall
106 provide such written comments to the locality within 90 days of receipt of the plan or amendment, or
107 such other shorter period of time as may be otherwise agreed upon by the Department and the locality.

108 5. The locality shall submit a copy of the adopted transportation plan or any amendment to the
109 transportation plan to the Department for informational purposes. If the Department determines that the
110 transportation plan or amendment is not consistent with the provisions of subdivision 1, the Department
111 shall notify the Commonwealth Transportation Board so that the Board may take appropriate action in
112 accordance with subsection E F of § 33.2-214.

113 6. Each locality's amendments or updates to its transportation plan as required by subdivisions 2
114 through 5 shall be made on or before its ongoing scheduled date for updating its transportation plan.

115 C. The comprehensive plan, with the accompanying maps, plats, charts, and descriptive matter, shall
116 show the locality's long-range recommendations for the general development of the territory covered by
117 the plan. It may include, but need not be limited to:

118 1. The designation of areas for various types of public and private development and use, such as
119 different kinds of residential, including age-restricted, housing; business; industrial; agricultural; mineral
120 resources; conservation; active and passive recreation; public service; flood plain and drainage; and other

121 areas;

122 2. The designation of a system of community service facilities such as parks, sports playing fields,
123 forests, schools, playgrounds, public buildings and institutions, hospitals, nursing homes, assisted living
124 facilities, community centers, waterworks, sewage disposal or waste disposal areas, and the like;

125 3. The designation of historical areas and areas for urban renewal or other treatment;

126 4. The designation of areas for the implementation of reasonable ground water protection measures;

127 5. A capital improvements program, a subdivision ordinance, a zoning ordinance and zoning district
128 maps, mineral resource district maps and agricultural and forestal district maps, where applicable;

129 6. The location of existing or proposed recycling centers;

130 7. The location of military bases, military installations, and military airports and their adjacent safety
131 areas; and

132 8. The designation of corridors or routes for electric transmission lines of 150 kilovolts or more.

133 D. The comprehensive plan shall include the designation of areas and implementation of measures
134 for the construction, rehabilitation and maintenance of affordable housing, which is sufficient to meet the
135 current and future needs of residents of all levels of income in the locality while considering the current
136 and future needs of the planning district within which the locality is situated.

137 **§ 33.2-201. Appointment requirements; statewide interest.**

138 Of the members appointed to the Board, one member shall be a resident of the territory now
139 included in the Bristol highway construction district, one in the Salem highway construction district, one
140 in the Lynchburg highway construction district, one in the Staunton highway construction district, one in
141 the Culpeper highway construction district, one in the Fredericksburg highway construction district, one
142 in the Richmond highway construction district, one in the Hampton Roads highway construction district,
143 and one in the Northern Virginia highway construction district. The remaining five members shall be
144 appointed from the Commonwealth at large, provided that at least two reside in ~~metropolitan statistical~~
145 ~~areas urbanized areas with populations greater than 200,000~~ and are designated as urban at-large
146 members and at least two reside outside ~~metropolitan statistical areas urbanized areas with populations~~
147 ~~greater than 200,000~~ and are designated as rural at-large members. The at-large members shall be
148 appointed to represent rural and urban transportation needs and to be mindful of the concerns of seaports
149 and seaport users, airports and airport users, railways and railway users, and mass transit and mass
150 transit users. Each appointed member of the Board shall be primarily mindful of the best interest of the
151 Commonwealth at large instead of the interests of the highway construction district from which chosen
152 or of the transportation interest represented.

153 *No member of a governing body of a locality shall be eligible, during the term of office for which he*
154 *was elected or appointed, to serve as an appointed member of the Board.*

155 **§ 33.2-214. Transportation; Six-Year Improvement Program.**

156 A. The Board shall have the power and duty to monitor and, where necessary, approve actions taken
157 by the Department of Rail and Public Transportation pursuant to Article 5 (§ 33.2-281 et seq.) in order
158 to ensure the efficient and economical development of public transportation, the enhancement of rail
159 transportation, and the coordination of such rail and public transportation plans with highway programs.

160 B. The Board shall have the power and duty to coordinate the planning for financing of
161 transportation needs, including needs for highways, railways, seaports, airports, and public transportation
162 and set aside funds as provided in § 33.2-1524. To allocate funds for these needs pursuant to §§
163 33.2-358 and 58.1-638, the Board shall adopt a Six-Year Improvement Program of anticipated projects
164 and programs by July 1 of each year. This program shall be based on the most recent official
165 Transportation Trust Fund revenue forecast and shall be consistent with a debt management policy
166 adopted by the Board in consultation with the Debt Capacity Advisory Committee and the Department
167 of the Treasury.

168 C. The Board shall have the power and duty to enter into contracts with local districts, commissions,
169 agencies, or other entities created for transportation purposes.

170 D. The Board shall have the power and duty to promote increasing private investment in the
171 Commonwealth's transportation infrastructure, including acquisition of causeways, bridges, tunnels,
172 highways, and other transportation facilities.

173 E. *The Board shall only include a project or program wholly or partially funded with funds from the*
174 *State of Good Repair Program pursuant to § 33.2-369, the High Priority Projects Program pursuant to*
175 *§ 33.2-370, or the Highway Construction District Grant Programs pursuant to § 33.2-371 in the*
176 *Six-Year Improvement Program if the allocation of funds from those programs and other funding*
177 *committed to such project or program within the six-year horizon of the Six-Year Improvement Program*
178 *is sufficient to complete the project or program.*

179 F. The Board shall have the power and duty to integrate land use with transportation planning and
180 programming, consistent with the efficient and economical use of public funds. If the Board determines
181 that a local transportation plan described in § 15.2-2223 or any amendment as described in § 15.2-2229

182 or a metropolitan regional long-range transportation plan or regional Transportation Improvement
183 Program as described in § 33.2-3201 is not consistent with the Board's Statewide Transportation Plan
184 developed pursuant to § 33.2-353, the Six-Year Improvement Program adopted pursuant to subsection B,
185 and the location of routes to be followed by roads comprising systems of state highways pursuant to
186 subsection A of § 33.2-208, the Board shall notify the locality of such inconsistency and request that the
187 applicable plan or program be amended accordingly. If, after a reasonable time, the Board determines
188 that there is a refusal to amend the plan or program, then the Board may reallocate funds that were
189 allocated to the nonconforming project as permitted by state or federal law. However, the Board shall
190 not reallocate any funds allocated pursuant to § 33.2-319 or 33.2-366, based on a determination of
191 inconsistency with the Board's Statewide Transportation Plan or the Six-Year Improvement Program nor
192 shall the Board reallocate any funds, allocated pursuant to subsection C or D of § 33.2-358, from any
193 projects on highways controlled by any county that has withdrawn, or elects to withdraw, from the
194 secondary system of state highways based on a determination of inconsistency with the Board's
195 Statewide Transportation Plan or the Six-Year Improvement Program. If a locality or metropolitan
196 planning organization requests the termination of a project, and the Department does not agree to the
197 termination, or if a locality or metropolitan planning organization does not advance a project to the next
198 phase of construction when requested by the Board and the Department has expended state or federal
199 funds, the locality or the localities within the metropolitan planning organization may be required to
200 reimburse the Department for all funds expended on the project. If, after design approval by the Chief
201 Engineer of the Department, a locality or metropolitan planning organization requests alterations to a
202 project that, in the aggregate, exceeds 10 percent of the total project costs, the locality or the localities
203 within the metropolitan planning organization may be required to reimburse the Department for the
204 additional project costs above the original estimates for making such alterations.

205 **§ 33.2-214.1. Statewide prioritization process for project selection.**

206 A. The General Assembly declares it to be in the public interest that a prioritization process for
207 projects funded by the Commonwealth Transportation Board be developed and implemented to improve
208 the efficiency and effectiveness of the state's transportation system, transportation safety, transportation
209 accessibility for people and freight, environmental quality, and economic development in the
210 Commonwealth.

211 B. Subject to the limitations in subsection C, the Commonwealth Transportation Board shall develop,
212 in accordance with federal transportation requirements, and in cooperation with metropolitan planning
213 organizations wholly within the Commonwealth and with the Northern Virginia Transportation
214 Authority, a statewide prioritization process for the use of funds allocated pursuant to §§ 33.2-358,
215 33.2-370, and 33.2-371 or apportioned pursuant to 23 U.S.C. § 104. Such prioritization process shall be
216 used for the development of the Six-Year Improvement Program pursuant to § 33.2-214 and shall
217 consider, at a minimum, highway, transit, rail, roadway, technology operational improvements, and
218 transportation demand management strategies.

219 1. The prioritization process shall be based on an objective and quantifiable analysis that considers,
220 at a minimum, the following factors relative to the ~~cost~~ of *requested funding* for the project or strategy:
221 congestion mitigation, economic development, accessibility, safety, and environmental quality.

222 2. Prior to the analysis in subdivision 1, candidate projects and strategies shall be screened by the
223 Commonwealth Transportation Board to determine whether they are consistent with the assessment of
224 capacity needs for all for corridors of statewide significance, regional networks, and improvements to
225 promote urban development areas established pursuant to § 15.2-2223.1, undertaken in the Statewide
226 Transportation Plan in accordance with § 33.2-353.

227 3. The Commonwealth Transportation Board shall weight the factors used in subdivision 1 for each
228 of the state's highway construction districts. The Commonwealth Transportation Board may assign
229 different weights to the factors, within each highway construction district, based on the unique needs and
230 qualities of each highway construction district.

231 4. The Commonwealth Transportation Board shall solicit input from localities, metropolitan planning
232 organizations, transit authorities, transportation authorities, and other stakeholders in its development of
233 the prioritization process pursuant to this section. Further, the Board shall explicitly consider input
234 provided by an applicable metropolitan planning organization or the Northern Virginia Transportation
235 Authority when developing the weighting of factors pursuant to subdivision 3 for a metropolitan
236 planning area with a population over 200,000 individuals.

237 C. The prioritization process developed under subsection B shall not apply to the following: projects
238 or activities undertaken pursuant to § 33.2-352; projects funded by the Congestion Mitigation Air
239 Quality funds apportioned to the state pursuant to 23 U.S.C. § 104(b)(4) and state matching funds;
240 projects funded by the Highway Safety Improvement Program funds apportioned to the state pursuant to
241 23 U.S.C. § 104(b)(3) and state matching funds; projects funded by the Transportation Alternatives funds
242 set-aside pursuant to 23 U.S.C. § 213 and state matching funds; projects funded by the revenue-sharing
243 program pursuant to § 33.2-357; and projects funded by federal programs established by the federal

244 government after June 30, 2014, with specific rules that restrict the types of projects that may be
 245 funded, excluding restrictions on the location of projects with regard to highway functional
 246 classification. The Commonwealth Transportation Board may, at its discretion, develop a prioritization
 247 process for any of the funds covered by this subsection, subject to planning and funding requirements of
 248 federal law.

249 **§ 33.2-223. General powers of Commissioner of Highways.**

250 Except such powers as are conferred by law upon the Board *and the Office of Intermodal Planning*
 251 *and Investment of the Secretary of Transportation*, the Commissioner of Highways shall have the power
 252 to do all acts necessary or convenient for constructing, improving, maintaining, and preserving the
 253 efficient operation of the highways embraced in the systems of state highways and to further the
 254 interests of the Commonwealth in the areas of public transportation, railways, seaports, and airports. And
 255 as executive head of the Department, the Commissioner of Highways is specifically charged with the
 256 duty of executing all orders and decisions of the Board and may, subject to the provisions of this
 257 chapter, require that all appointees and employees perform their duties under this chapter.

258 In addition, the Commissioner of Highways, in order to maximize efficiency, shall take such steps as
 259 may be appropriate to outsource or privatize any of the Department's functions that might reasonably be
 260 provided by the private sector. Procuring equipment and labor to ensure that adequate resources will be
 261 available to address emergency and weather-related events as they may arise, including snow and ice
 262 removal services, shall be considered an emergency under subsection F of § 2.2-4303, and the
 263 Commissioner of Highways shall have the authority to establish and utilize such procedures as he deems
 264 necessary and most efficient to obtain and ensure the availability of such services to protect the safety
 265 and security of the traveling public.

266 **§ 33.2-232. Annual reports by Commissioner of Highways and the Office of Intermodal**
 267 **Planning and Investment.**

268 *A. The Secretary of Transportation shall ensure that the reports required under subsections B and C*
 269 *are provided in writing to the Governor, the General Assembly, and the Commonwealth Transportation*
 270 *Board by the dates specified.*

271 *B. The Commissioner of Highways shall annually report in writing to the Governor, the General*
 272 *Assembly, the Joint Legislative Audit and Review Commission, and the Board provide to each recipient*
 273 *specified in subsection A, no later than November 30 1 of each year. The Commissioner shall make such*
 274 *report available on the Department's website. The, a report, the content of such report which shall be*
 275 *specified by the Board and shall contain, at a minimum:*

276 1. *The condition of existing transportation assets, using asset management methodology pursuant to*
 277 *§ 33.2-352;*

278 2. *The methodology used to determine maintenance needs, including an explanation of the*
 279 *transparent methodology used for the allocation of funds from the Highway Maintenance and Operating*
 280 *Fund pursuant to subsection A of § 33.2-352;*

281 3. *The allocations to the reconstruction and rehabilitation of functionally obsolete or structurally*
 282 *deficient bridges and to the reconstruction of pavements determined to have a combined condition index*
 283 *of less than 60 and beginning with the November 2020 report, the 2. The methodology used to*
 284 *determine allocations approved by the Board for the allocation of construction funds for state of good*
 285 *repair purposes as defined in § 33.2-369 and, if necessary, an explanation and rationale for any waiver*
 286 *of the cap provided for in subsection B of § 33.2-369;*

287 4. *The performance targets and outcomes for (i) the current two-year period starting July 1 of*
 288 *even-numbered years and (ii) the following two-year period starting July 1 of the next even-numbered*
 289 *year. The targets and outcomes shall state what is expected to be achieved, based on funding identified*
 290 *for maintenance and state of good repair purposes, over each two-year period*

291 3. *The expenditures from the Highway Maintenance and Operating Fund for the past fiscal year by*
 292 *asset class or activity and by construction district as well as the planned expenditure for the current*
 293 *fiscal year;*

294 4. *A description of transportation systems management and operations in the Commonwealth and the*
 295 *operating condition of primary and secondary state highways, including location and average duration*
 296 *of incidents;*

297 5. *A listing of prioritized pavement and bridge needs based on the priority ranking system developed*
 298 *by the Board pursuant to § 33.2-369 and a description of the priority ranking system;*

299 6. *The Department's (i) strategies for improving safety and security and (ii) strategies and activities A*
 300 *description of actions taken to improve highway operations within the Commonwealth, including the use*
 301 *of funds in the Innovation and Technology Transportation Fund established pursuant to § 33.2-1531 and*
 302 *improved incident management; and*

303 7. *A review of the Department's collaboration with the private sector in delivering services;*

304 8. *Traffic modeling results for all federally funded projects requiring a multi-alternative National*

305 Environmental Policy Act analysis;

306 C. The Office of Intermodal Planning and Investment of the Secretary of Transportation shall provide
307 to each recipient specified in subsection A, no later than November 1 of each year, a report, the content
308 of which shall be specified by the Board and shall contain, at a minimum:

309 9. 1. A list of transportation projects approved or modified during the prior fiscal year ~~(i) in each~~
310 ~~transportation district, including whether each such project was evaluated pursuant to § 33.2-214.1,~~
311 ~~including project costs, and (ii) in each transportation district not subject to § 33.2-214.1 and the~~
312 ~~program from which each such project received funding; and~~

313 10. A listing, by transportation district for the prior fiscal year, of the total number of lane miles of
314 all primary and secondary roads that (i) have been resurfaced with asphalt or sealant and (ii) based on
315 records of the Department at the close of the fiscal year, reflect a rating of "poor" or "very poor."

316 2. The results of the most recent project evaluations pursuant to § 33.2-214.1, including a
317 comparison of (i) projects selected for funding with projects not selected for funding, (ii) funding
318 allocated by district and by mode of transportation, and (iii) the size of projects selected for funding;

319 3. The current performance of the Commonwealth's surface transportation system, the targets for
320 future performance, and the progress toward such targets based on the measures developed pursuant to
321 § 2.2-229;

322 4. The status of the Virginia Transportation Infrastructure Bank, including the balance in the Bank,
323 funding commitments made over the prior fiscal year, and performance of the current loan portfolio;

324 5. The status of the Toll Facilities Revolving Account, including the balance in the account, project
325 commitments from the account, repayment schedules, and the performance of the current loan portfolio;
326 and

327 6. Any potential financial risks to the Commonwealth Transportation Fund related to any agreements
328 executed pursuant to the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.).

329 D. The purpose of the reports required pursuant to this section is to ensure transparency and
330 accountability in the use of transportation funds.

331 **§ 33.2-357. Revenue-sharing funds for systems in certain localities.**

332 A. From revenues made available by the General Assembly and appropriated for the improvement,
333 construction, reconstruction, or maintenance of the systems of state highways, the Board may make an
334 equivalent matching allocation to any locality for designations by the governing body of up to \$10 \$5
335 million for use by the locality to improve, construct, *maintain*, or reconstruct the highway systems
336 within such locality with up to \$5 \$2.5 million for use by the locality to maintain the highway systems
337 within such locality. After adopting a resolution supporting the action, the governing body of the locality
338 may request revenue-sharing funds to improve, construct, reconstruct, or maintain a highway system
339 located in another locality or between two or more localities or to bring subdivision streets, used as such
340 prior to the date specified in § 33.2-335, up to standards sufficient to qualify them for inclusion in the
341 primary or secondary state highway system. All requests for funding shall be accompanied by a
342 prioritized listing of specified projects.

343 B. In allocating funds under this section, the Board shall give priority to projects as follows: first, to
344 projects that have previously received an allocation of funds pursuant to this section; second, to projects
345 that (i) meet a transportation need identified in the Statewide Transportation Plan pursuant to § 33.2-353
346 or (ii) accelerate a project in a locality's capital plan; and third, to projects that address pavement
347 resurfacing and bridge rehabilitation projects where the maintenance needs analysis determines that the
348 infrastructure does not meet the Department's maintenance performance targets.

349 C. The Department shall contract with the locality for the implementation of the project. Such
350 contract may cover either a single project or may provide for the locality's implementation of several
351 projects. The locality shall undertake implementation of the particular project by obtaining the necessary
352 permits from the Department in order to ensure that the improvement is consistent with the Department's
353 standards for such improvements. At the request of the locality, the Department may provide the locality
354 with engineering, right-of-way acquisition, construction, or maintenance services for a project with its
355 own forces. The locality shall provide payment to the Department for any such services. If administered
356 by the Department, such contract shall also require that the governing body of the locality pay to the
357 Department within 30 days the local revenue-sharing funds upon written notice by the Department of its
358 intent to proceed. Any project having funds allocated under this program shall be initiated in such a
359 fashion that at least a portion of such funds have been expended within one year of allocation. Any
360 revenue-sharing funds for projects not initiated after two subsequent fiscal years of allocation may be
361 reallocated at the discretion of the Board.

362 D. Total Commonwealth funds allocated by the Board under this section shall be ~~no less than \$15~~
363 ~~million and no more than \$200 million not exceed the greater of \$100 million or seven percent of funds~~
364 ~~available for distribution pursuant to subsection D of § 33.2-358, whichever is greater,~~ in each fiscal
365 year, subject to appropriation for such purpose. For any fiscal year in which less than the full program
366 allocation has been allocated by the Board to specific governing bodies, those localities requesting the

367 maximum allocation under subsection A may be allowed an additional allocation at the discretion of the
368 Board.
369 E. The funds allocated by the Board under this section shall be distributed and administered in
370 accordance with the revenue-sharing program guidelines established by the Board.

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