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HOUSE JOINT RESOLUTION NO. 629

Offered January 9, 2019

Prefiled January 7, 2019

Directing the Joint Legislative Audit and Review Commission to study the feasibility of reducing or eliminating tolls on the Midtown and Downtown Tunnels in Hampton Roads. Report.

Patrons—Heretick, James, Brewer, Kory, Lindsey, Mullin, Reid and Webert

Referred to Committee on Rules

WHEREAS, the toll facilities at the Midtown and Downtown Tunnels in Hampton Roads are operated by Elizabeth River Crossings, a private corporation that holds a concession to operate and maintain the tunnels for a period of 58 years; and

WHEREAS, toll rates are highest during peak hours, which puts a strain on the workforce and negatively affects commuters and businesses; and

WHEREAS, according to a 2015 report by Dr. James Koch, an economics professor at Old Dominion University, traffic volume in the Midtown and Downtown Tunnels has decreased significantly since the imposition of the tolls and has led to a dramatic decrease in taxable sales in the City of Portsmouth; and

WHEREAS, Dr. Koch's updated report from 2018 found that the City of Portsmouth continues to bear the negative brunt of the tolls and has seen an estimated \$8.8 million reduction in annual taxable sales; and

WHEREAS, such a reduction in annual taxable sales would normally translate into \$22 million in reduced commercial real estate values and a \$286,000 annual loss in real estate tax collections for the City of Portsmouth; and

WHEREAS, the "non-compete" clause in the contract with Elizabeth River Crossings has the potential to negatively impact other tolling projects in the Hampton Roads region; and

WHEREAS, the tolls place a financial burden on the area, hinder economic development, and limit regional mobility; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission be directed to study the feasibility of reducing or eliminating tolls on the Midtown and Downtown Tunnels in Hampton Roads.

In conducting its study, the Joint Legislative Audit and Review Commission (JLARC) shall investigate (i) alternatives to reducing or eliminating tolls, including whether the maintenance and toll enforcement on the Midtown and Downtown Tunnels may be assumed by the Commonwealth; (ii) whether the Commonwealth is able to reallocate existing funding to reduce or eliminate the tolls; (iii) whether the contract with Elizabeth River Crossings can be renegotiated; (iv) the feasibility of ending the contract term with Elizabeth River Crossings early through a buyout or other methods; and (v) any other financial or legal avenue that would allow for a reduction or elimination of tolls.

All agencies of the Commonwealth shall provide assistance to the Joint Legislative Audit and Review Commission for this study, upon request.

The Joint Legislative Audit and Review Commission shall complete its meetings by November 30, 2019, and the director shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the 2020 Regular Session of the General Assembly. The executive summary shall state whether JLARC intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

INTRODUCED

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