

Department of Planning and Budget

2007 Fiscal Impact Statement

1. Bill Number HB2785

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 Joannou

3. Committee House Transportation

4. Title Allocation of highway funds; additional allocation to certain port cities.

5. Summary/Purpose: The proposed legislation would provide that the Commonwealth Transportation Board (CTB), from funds appropriated for such purpose in the general appropriation act, allocate additional funds to the Cities of Newport News, Norfolk, and Portsmouth for use in addressing highway maintenance and repair needs created by or associated with port operations in those cities.

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

7. Budget amendment necessary: None.

8. Fiscal implications: The proposed bill directs the CTB to allocate funds to the three cities in which the Virginia Port Authority operates when such funds are appropriated in the general appropriation act by the General Assembly. The CTB is to apportion the funds among the three cities as it chooses. The act does not give the CTB any guidelines or formula to use to distribute the funds. The bill directs the cities to use the funds to address highway maintenance and repair needs created by or associated with port operations.

Potentially, the proposed legislation may have no fiscal impact if no funds are provided for such a purpose in the Appropriation Act. If funds are provided, the General Assembly may provide general fund support, or direct the CTB to allocate funds from the Transportation Trust Fund. Depending on the size of the transfer, redirection of existing transportation revenues to the port cities could impact VDOT's ability to match federal funding, which could result in a loss to the Commonwealth of four dollars in federal funding for every one dollar not available for match.

9. Specific agency or political subdivisions affected: City of Newport News, City of Norfolk, City of Portsmouth, Commonwealth Transportation Board

10. Technical amendment necessary: None.

11. Other comments: None.

Date: 01/22/07 / smc

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cc: Secretary of Finance

Secretary of Transportation