

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB1304

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: Oder

3. Committee: House Transportation

4. Title: Hampton Roads Transportation Authority.

5. Summary: The proposed legislation would require, prior to the submission of any legislative request or recommendation, the Hampton Roads Transportation Authority (the Authority) to receive an affirmative vote from the majority of member localities. Before the vote is taken each member locality must hold a public hearing. No action is to be taken by the Authority after a vote in the affirmative until the Authority conducts another public hearing and the request or recommendation passes in a vote by the Authority's members.

The proposed legislation also delays the imposition of the authorized taxes and fees the Authority may collect until July 1, 2009.

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

7. Budget Amendment Necessary: None.

8. Fiscal Implications: The proposed legislation does not impact state revenues, as the Hampton Roads Transportation Authority is a separate entity.

The Authority is to construct several transportation projects in the Hampton Roads area with their revenue stream. With the delay in the imposition of the taxes and fees until FY 2010, less funding for the transportation projects will be available and projects may need to be delayed.

Hampton Roads Transportation Authority
(millions of dollars)

	<u>Rate</u>	<u>FY08</u>	<u>FY09</u>
Retail Motor Fuels Sales Tax	2%	\$5.0	\$30.2
Grantor's Tax	40 cents	11.4	49.1
Motor Vehicle Rental Tax	2%	0.9	3.5
Local Vehicle Registration Fee	\$10	3.3	13.3
First Time Vehicle Registration	1%	6.8	41.2
Auto Repairs	5%	3.0	18.9
Vehicle Inspection Fee	\$10	3.1	12.3
Hampton Roads Total		\$33.5	\$168.5
Local options			
Commerical Real Estate	10 Cents	\$5.1	20.3
Loc Reg Fee	\$10	3.3	13.3
HR Local Options Total		\$8.4	\$33.6
Impact of HB 1304		(\$41.9)	(\$202.1)

The Hampton Roads Transportation Authority will begin collecting the taxes and fees authorized by the 2007 General Assembly in April 2008. The proposed legislation would not become effective until July 1, 2008. It is assumed that if the bill passed the House and Senate and is signed by the Governor, the Authority would not begin collecting the taxes and fees in April.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Taxation, Department of Motor Vehicles, Department of Transportation, Hampton Roads Transportation Authority, Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg, and the counties of Isle of Wight, James City and York.

10. Technical Amendment Necessary: None.

11. Other Comments: HB 829, HB1444 and SB 676 abolish the Authority.

Date: 1/30/2008 dpb/smc

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cc: Secretary of Transportation