

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: SB754

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Obenshain

3. Committee: Transportation

4. Title: **Public-Private Transportation Act; tolls on Interstate highways.**

5. Summary: The proposed legislation would prohibit a private entity from imposing tolls or user fees under the Public-Private Transportation Act on any existing rural Interstate highway without the prior approval of the General Assembly.

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

7. Budget Amendment Necessary: None.

8. Fiscal Implications: The proposed legislation would prohibit tolls on certain portions of the Interstate system without prior approval of the General Assembly. The bill would apply to several Interstate routes, including Interstate 81. Virginia received conditional approval from the Federal Highway Administration to include Interstate 81 in the Interstate Reconstruction and Rehabilitation Pilot Program in 2003, which would allow a reconstructed or rehabilitated free Interstate highway segment to be converted into a toll road. The proposed legislation would require approval from the General Assembly prior to the signing of contracts to construct toll lanes.

It is not clear how many Interstate highway routes the proposed legislation would cover. The Code of Virginia does not define a rural Interstate highway. The Virginia Department of Transportation (VDOT) functionally classifies roadways in the Commonwealth according to federal guidelines. Segments of Interstate routes are classified as urban or rural according to population density of the surrounding land, which is determined by the Census every ten years. As such, most Interstates in the Commonwealth cross in and out of urban and rural areas. Interstate 81 is classified as rural for most of its length in the Commonwealth, but becomes an urban interstate near cities and towns.

The proposed legislation may cover segments of Interstate 95 planned to be part of a high occupancy toll (HOT) lane project, a concept which converts high occupancy vehicle (HOV) lanes into toll lanes. VDOT and a private partner signed an interim agreement in 2006. The private partner is presently moving forward with preliminary engineering, operations plans, and traffic and revenue studies while VDOT is managing the federal environmental review process. Portions of Interstate 95 between Fredericksburg and Northern Virginia area classified as rural. It is not clear how the proposed legislation will impact the project.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Transportation

10. Technical Amendment Necessary: None.

11. Other Comments: Identical to HB1516.

Date: 1/29/2008 dpb/smc

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cc: Secretary of Transportation