

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: SB778

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|-----------------|--------------------------|--------------|--------------------------|------------|-------------------------------------|-----------|
| House of Origin | <input type="checkbox"/> | Introduced | <input type="checkbox"/> | Substitute | <input type="checkbox"/> | Engrossed |
| Second House | <input type="checkbox"/> | In Committee | <input type="checkbox"/> | Substitute | <input checked="" type="checkbox"/> | Enrolled |

2. Patron: Herring

3. Committee: Passed both houses

4. Title: Virginia Highway Corporation Act of 1988; tolls on the Dulles Greenway.

5. Summary: The proposed legislation would authorize the State Corporation Commission (SCC) to approve or revise the toll rates charged by a toll road operator under the Virginia Highway Corporation Act of 1988. The bill provides specified conditions to be met in order for the SCC to approve of toll rate increases. The provisions regarding toll rate increases are to be effective January 1, 2013 through January 1, 2020.

The proposed legislation also contains language specifying the uses of the proceeds and funding provided to the operator from any future bond indenture or similar credit agreement, unless otherwise authorized by the SCC.

In addition, the SCC is to review the relationships between the toll road operator and entities closely associated with the operator to ensure the terms of any contracts are no more favorable or less favorable than the operator could otherwise obtain. The bill also requires the operator to provide copies of annual audited financial statements.

The only toll road constructed pursuant to the provisions of the Virginia Highway Corporation Act of 1988 is the Dulles Greenway, located in Loudoun County.

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

7. Budget Amendment Necessary: None.

8. Fiscal Implications: The proposed legislation would give the SCC more authority to review the financial statements of toll road operators during a toll rate proceeding and the circumstances surrounding a toll rate increase request. The State Corporation Commission does not anticipate any additional staffing will be required to address the requirements of this legislation.

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission

10. Technical Amendment Necessary: None.

11. Other Comments: Identical to HB 1140.

REVISED

Date: 3/18/2008 dpb/smc

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cc: Secretary of Transportation