

## Department of Planning and Budget 2011 Fiscal Impact Statement

**1. Bill Number:** HB1648

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

**2. Patron:** Cosgrove

**3. Committee:** House Transportation

**4. Title:** Rail Enhancement Fund; allocation and use of funds.

**5. Summary:** The proposed legislation would provide that allocations from the Rail Enhancement Fund may be used as matching funds for federal grants to support rail projects. The bill repeals the Rail Advisory Board, which had previously provided advice on the use of these funds.

The Rail Enhancement Fund was created by the General Assembly in 2005 to provide a funding source for the maintenance, improvement and development of freight and passenger railways. The Rail Advisory Board was created in the legislation to advise the Department of Rail and Public Transportation on which projects to recommend for funding to the Commonwealth Transportation Board. The board consists of nine members appointed by the Governor and meets quarterly.

A federal rail funding program was created in 2008 and generally requires a 20 percent match from states. The proposed legislation would authorize the Rail Enhancement Fund to provide any required matching funds.

**6. Budget Amendment Necessary:** None.

**7. Fiscal Impact Estimates:** Preliminary. See Item 8.

**8. Fiscal Implications:** Members of the Rail Advisory Board are eligible for reimbursement of expenditures when traveling for meetings. The elimination of the board will save approximately \$5,000 in nongeneral funds per year.

**9. Specific Agency or Political Subdivisions Affected:** Department of Rail and Public Transportation

**10. Technical Amendment Necessary:** None.

**11. Other Comments:** None.

**Date:** 1/21/2011 dpb/smc

**Document:** G:\GA\FIS 2011\HB1648.doc