

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: HB2070

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: Comstock

3. Committee: Transportation

4. Title: Commonwealth Mass Transit Fund.

5. Summary: Currently, allocations for transit operations are made based on the provider's share of total operating expenses. SJR 297, passed in 2011, instructed the Department of Rail and Public Transportation (DRPT) to study transit funding and determine if a performance-based funding formula should be utilized to distribute state transit funding to providers. The study provided recommendations to establish a hybrid allocation formula, with 50 percent of the funding distributed based on operating expenses and 50 percent based on specified performance factors. Providers are divided into peer groups of similar sized providers for comparing and allocating the performance share of the allocations. The study also made recommendations for the allocation of grant funding for capital purchases. The proposed legislation would implement the study findings.

The proposed legislation contains a requirement that DRPT consult with interested stakeholders and hold at least one public hearing in developing performance factors. Prior to approving the performance factors, DRPT is to brief legislative committees.

6. Budget Amendment Necessary: Yes. Some language amendments would be required in Item 441.

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

8. Fiscal Implications: The proposed legislation would not impact the overall level of funding appropriated to the Commonwealth Mass Transit Fund, but would alter the distribution formulas to transit providers. The bill would also codify a percentage of the Mass Transit Fund that is set aside to support DRPT's costs related to project development and administration. Currently, language in the Appropriation Act authorizes the set-aside.

9. Specific Agency or Political Subdivisions Affected: Department of Rail and Public Transportation, transit providers

10. Technical Amendment Necessary: None.

11. Other Comments: None.

Date: 1/24/2013 dpb/smc

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