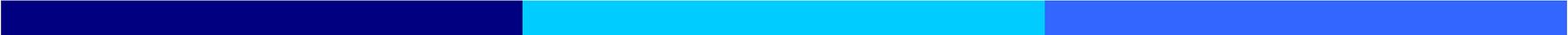


Joint Commission on Transportation Accountability – Transportation Finance

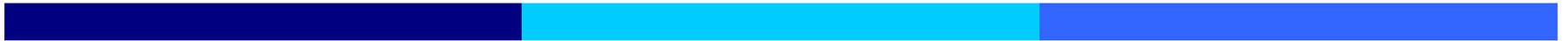


Anne E. Oman

House Appropriations Committee Staff

September 26, 2007

Composition of Virginia's Highway System



Composition of Virginia's Highway System

- ❑ Virginia maintains both roads of statewide and regional significance as well as local roads in the counties
- ❑ Four Systems
 - Interstate – federally-designated, access controlled highways
 - Primary – generally major arterials, but there are no guidelines on what constitutes a primary road
 - Secondary – local county roads including subdivisions and collectors. But not defined and also includes some major arterials
 - Urban – all roadways within city and town boundaries except Interstates. Typically includes primary extensions
- ❑ VDOT maintains and constructs all roads on first three systems
- ❑ Cities and towns in the Urban system are responsible for maintaining their own roadways. However, VDOT still administers many projects using urban allocations and they are included in the Six Year Program
- ❑ Only four other states – Alaska, Delaware, North Carolina and West Virginia – maintain and construct local roads

State Control of Local County Roads

- ❑ 1932 General Assembly passed what became known as the “Byrd Road Act” creating the secondary system of State highways
- ❑ All counties were given the option to place their roads under the management (and funding) of VDOT
 - 4 counties originally opted out of the system
 - Today, local roads in all counties except Arlington and Henrico are part of the State secondary system
 - State provides funding to Arlington and Henrico
- ❑ Basis for creating the secondary system was to:
 - Benefit from economies of scale
 - Eliminate duplication of effort (staff, facilities and equipment) by state and local road agencies
 - Take advantage of VDOT’s higher technical capacity
 - Ensure consistent standards applied
- ❑ Recent shift toward devolution of authority to localities

VDOT Maintained Lane Miles

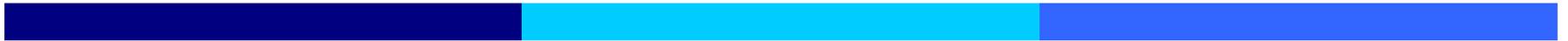
	Interstate	Primary	Secondary	Frontage	Total
1995	5,186	21,141	93,191	675	120,194
2005	5,375	21,955	97,579	666	125,574
Growth	189	814	4,388	-10	5,381

Non-VDOT Maintained Lane Miles

	Urban	Arlington	Henrico	Total
1995	21,338	954	2,820	25,112
2005	23,513	961	3,201	27,675
Growth	2,175	7	381	2,563

- ▣ In combination, “local” roads – the secondary and urban systems – make up 82 percent of the Commonwealth’s road mileage

Transportation Finance



Transportation Finance in Virginia

- Titles 33.1 and 58.1 of the *Code of Virginia* and the Appropriation Act set out transportation revenues and how they are allocated
- VDOT is largely a non-general fund agency, financed through transportation user fees levied at both the state and federal level
- State transportation funds are divided into two primary pots: the Highway Maintenance and Operating Fund (HMOF) and the Transportation Trust Fund (TTF)
- The HMOF contains all transportation revenue sources imposed prior to 1986
 - Largest sources include gasoline tax, motor vehicle sales and use tax, and vehicle registration fee
 - These funds are used for VDOT operations, administration and maintenance

Transportation Finance in Virginia

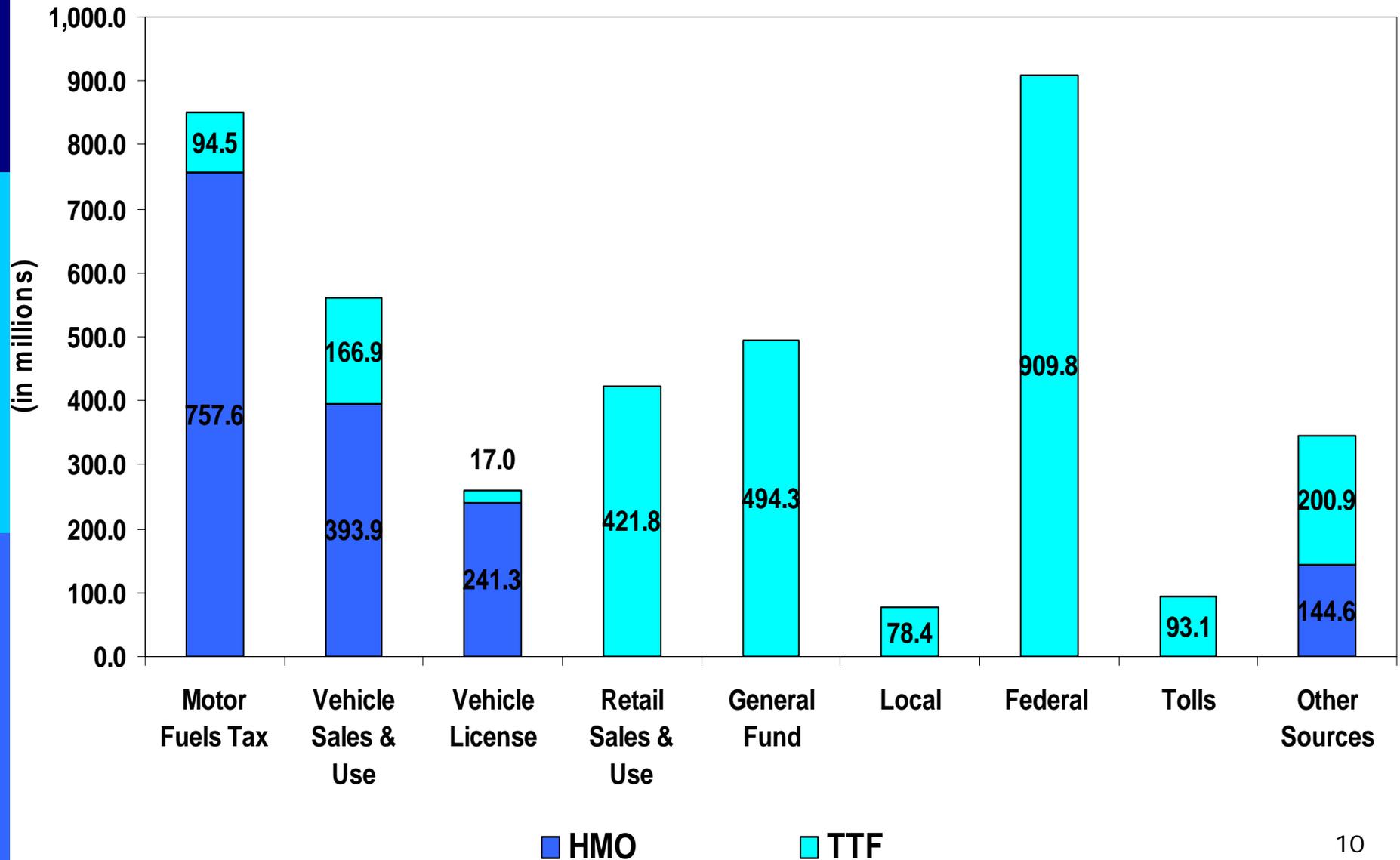
- 1986 Special Session on transportation approved revenue increases for transportation, and created the Transportation Trust Fund (TTF) to fund capital improvements to highways, ports, airports and public transportation
- TTF is made up of revenue increases approved in 1986, and includes:
 - ½ cent general sales and use tax
 - 1% additional tax on motor vehicle sales
 - 2.5 cent increase in gasoline tax
 - \$3.00 increase in vehicle registration fee
- The TTF is traditionally considered the “construction fund” and also holds federal highway apportionments used for construction activities
- TTF revenues are allocated among the transportation modes as follows:
 - 2.4% Aviation
 - 4.2% Ports
 - 14.7% Public Transportation
 - 78.7% Highways

Commonwealth Transportation Fund FY 2008 Budget

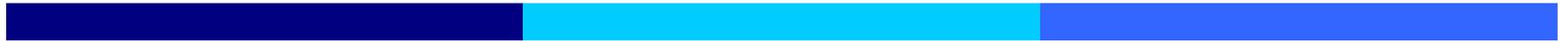
- The Commonwealth Transportation Fund budget for FY 2008 – including revenues from state, federal and other sources – is \$4.8 billion
 - This includes more than \$804 million which is transferred from VDOT to the Departments of Rail and Public Transportation, Aviation and the Virginia Port Authority
- Total VDOT budget for FY 2008 is \$4.0 billion
 - (This is exclusive of funding transferred to the other modes of transportation)
 - Largest component of revenues is federal apportionments (\$909.8 million)
 - Major state sources are:
 - Motor fuel taxes (VDOT share = \$852.1 million)
 - Motor vehicle sales and use tax (VDOT share = \$560.8 million)
 - ½ cent general sales and use tax (VDOT share = \$421.8 million)

VDOT Share of FY 2008 CTF Revenue

Sources: \$4.0 billion



Allocation of Revenues



Allocation of Funds

- Transportation funding is not distributed using one formula -- separate formulas allocate State and federal funds, funds for the various VDOT programs, and funds to highways and other modes. Commonwealth Transportation Board policy also dictates funding distribution
- *Code of Virginia* and Appropriation Act dictate priority of how transportation revenues are allocated by CTB, in the order enumerated below:
 - Debt service
 - Support to other state agencies and general fund
 - Maintenance
 - Operations and administration
 - Other Modes
 - Earmarks and special financing programs
 - Interstate construction projects
 - Primary, secondary, urban construction projects

FY 2008 Transportation Budget

	<u>(Millions)</u>	<u>Percent of Total</u>
CTB debt service payments	\$263.4	5.5%
Other agencies/support payments	45.4	0.9%
Maintenance (including local assistance)	1,583.3	33.0%
Operations & administration	375.5	7.8%
Other Modes	803.9	16.8%
Toll Roads	95.1	2.0%
Total Construction	1,630.7	34.0%
Earmarks and special programs	583.0	12.2%
Interstate construction	340.4	7.1%
Primary, secondary & urban construction	707.2	14.7%
TOTAL BUDGET	\$4,797.3	100.0%

Maintenance Funding



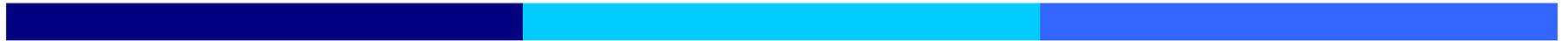
Maintenance of State System of Roads

- VDOT funds and undertakes Interstate, primary and secondary road maintenance
- Current FY 2008 VDOT financial plan sets total state maintenance funding at \$1.26 billion in FY 2008
 - Set to increase 4 percent each year through 2013
 - This is the first year VDOT has had a maintenance/operations Six Year Plan
- No statutorily set methodology for distributing VDOT maintenance funds
 - Historically, maintenance allocations have been set based on prior year expenditures, increased to reflect inflation and any identified special needs
 - VDOT moving toward a more quantitative method for determining maintenance needs and how to distribute those funds among the systems and districts

Local System Maintenance

- In addition to state maintenance expenditures, VDOT makes maintenance payments to localities. In combination these total \$1.6 billion in FY 2008
- Funding for roadway maintenance in cities and towns with populations greater than 3,500 is set out in the *Code*
 - VDOT must make quarterly payments to each jurisdiction based on a per lane-mile rate, depending on the type (function) of roadway and adjust the rates annually to reflect changes in costs
 - Since FY 2003 – with authority provided by language in Appropriation Act – rates are adjusted generally at the same rate that VDOT increases its maintenance expenditures
- VDOT's current financial plan sets city-street payments at \$280.2 million in FY 2008
 - Averages \$11,112 per lane mile
- Section 33.1-23.5:1 of the Code sets out a separate formula for payments to Arlington and Henrico
 - The rates for counties that have withdrawn from that state system do not differentiate between arterials and lower classes of roadways
 - Like the city street payments, since FY 2003 – with authority provided by language in Appropriation Act – rates are adjusted generally at the same rate that VDOT increases its maintenance expenditures
- FY 2008 allocations are:
 - \$14.6 million for Arlington for 961 lane miles (\$15,150 per lane mile)
 - \$28.1 million for Henrico for 3,281 lane miles (\$8,553 per lane mile)

Construction Funding



VDOT Construction Funding

- ❑ Funds for VDOT's highway construction program in FY 2008 total \$1.63 billion
- ❑ Non-systems construction priorities which must be met first include \$571.7 million as follows:
 - Revenue Sharing (state and local shares) - \$100.8 million
 - Transportation Partnership Opportunity Fund - \$316.4 million
 - Other Dedicated Construction - \$149.5 million
 - ❑ This includes federally-designated high priority projects, federal programs such as safety, enhancements, congestion mitigation and air quality, rail-highway crossings, etc.
- ❑ After these construction program requirements are met first, \$1.0 billion remains in FY 2008 for project allocations to the Interstate, primary, secondary and urban systems

Systems Construction

- The Code requires that of the four highway systems, Interstate system projects be funded first
 - CTB allocates federal Interstate funds and the required state match based on statewide project needs
 - No required sub-allocation by district or formula
 - First source of match is up to 25 percent of a District's primary system allocation
 - Additional match requirements then come "off the top" of all remaining funds
- Next, the Code requires that 5.67% of remaining funding be allocated for unpaved secondary roads with 50 or more vehicles per day
 - Funds are distributed to counties based on each county's proportion of statewide non-surface treated roads carrying 50 vehicles or more per day
- That which remains is distributed among the primary, secondary and urban systems as follows:
 - 40 percent primary
 - 30 percent secondary
 - 30 percent urban

Highway Systems Distribution Formula

- ❑ Primary System – distributed among the nine VDOT districts according to:
 - 70 percent vehicle miles traveled (vmt)
 - 25 percent lane miles
 - 5 percent needs factor – determined by CTB
 - CTB allocates funding to specific primary projects within each district
- ❑ Secondary System – distributed among the counties according to:
 - 80 percent population
 - 20 percent land area
 - Although VDOT maintains and constructs secondary system roads, project selections are made at the sole discretion of county boards of supervisors
 - Separate local secondary Six-Year Improvement Programs (SYIP)
 - No local matching requirement
- ❑ Urban System – distributed among the cities and towns according to:
 - 100 percent population
 - Urban system construction project selections made by city/town council resolution
 - *Code* requires CTB concurrence and projects are included in SYIP, reflecting the need for coordination/interconnectedness given that urban system localities responsible for primary system extensions
 - *Code* requires a 2 percent local match
 - Urban localities have option to use urban construction funds for mass transit and road maintenance projects

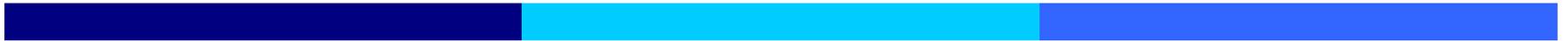
Federal Highway Funding

- ❑ Federal highway funding authorizations typically occur every six years – current authorizing legislation is SAFETEA-LU
- ❑ The authorizing legislation stipulates how federal-aid funding is distributed to the states, among the types of roadways, who controls project selection, and for what purposes the funding can be used
- ❑ Seven major federal funding programs, all with their own distribution requirements:
 - Interstate Maintenance (IM)
 - National Highway System (NHS)
 - Bridge
 - Surface Transportation Program (STP)
 - Equity Bonus (previously called Minimum Guarantee)
 - Congestion Mitigation and Air Quality (CMAQ)
 - Highway Safety Improvement Program (HSIP) – newly established as a core program

Federal Funding

- Federal funds are not distributed as lump sum grants to states – states are reimbursed for expenses after the fact
- VDOT bills for federal funds every day
 - In FY 2007, \$607.5 million in reimbursed federal funds
 - 71 percent of system construction allocations were based on federal funds last year
- The federal share of construction funding in the new Six Year Program is 49 percent
 - New revenues allow for a better balance between state and federal funding
 - Less than 20% of urban and secondary systems qualify for federal funds

House Bill 3202



2007 General Assembly

- ❑ HB 3202 was the first major legislation funding transportation passed since 1986
- ❑ Also included a number of non-financial provisions
 - VDOT Reform – including the creation of the Commission on Transportation Accountability
 - Land Use Provisions – linking transportation more closely with those decisions
- ❑ The legislation provides a combination of new fees and debt authorization to provide additional funding for transportation
- ❑ Funding from new revenues and bonds will increase annual Six Year Program funding by an average of 50%
- ❑ The bill also provided the Northern Virginia and Hampton Roads regions the authority to raise revenues to support regional projects
 - NVTAA authorized assessment of fees on July 12
 - HRTAA approved on August 10

HB 3202

□ New Revenue

- Abusive Drivers Fees
- Increased Registration Fee
- Equalizes Diesel Fuel tax to Gasoline
- Dedicates one-third of taxes on insurance premiums
- Dedicates a portion of the recordation tax
- Directs two-thirds of general fund surplus

□ New Bonds

- \$3.0 Billion Bond Authorization
- 25 year debt
- To be used for:
 - Transit Capital (20 percent)
 - Rail (4.3 percent)
 - Federal Highway Match
 - Supplement State Revenue Sharing Program
 - Statewide and Regional Projects

Statewide Revenues – HB 3202

STATEWIDE TRANSPORTATION FUNDING							
(\$ in millions)							
Sources	Rate Change	FY08	FY09	FY10	FY11	FY12	FY13
Abusive Drivers Fee	8+ demerits; varies by conviction	\$0.0	\$61.9	\$65.4	\$65.4	\$65.4	\$65.4
Registration Fee -- Cars & Light Trucks	\$10	62.4	62.4	62.4	62.4	62.4	62.4
Registration Fee for Heavy Trucks/Trailers	\$10 plus weight fee	27.0	27.0	27.0	27.0	27.0	27.0
Violation of Weight Limits by Heavy Trucks	varies	3.4	3.4	3.4	3.4	3.4	3.4
Diesel/Road Tax	1 1/2 cents	19.8	20.9	21.9	22.9	23.8	24.3
Insurance Premiums	1/3rd of total	0.0	137.0	144.1	150.8	159.7	169.5
Recordation tax**	3 cents	0.0	64.1	67.3	67.5	67.9	68.6
General Fund Surplus	GF	Approp. Act*	2/3rds general fund surplus				
Statewide New Revenue Total		\$112.6	\$376.7	\$391.4	\$399.4	\$409.6	\$420.6
*Budget amendments to Chapter 3 (Appropriation Act) appropriate \$500 million in surplus general funds to transportation for spending in FY 2008							
**Estimate based on official long range forecast. Low growth projects reflects volatility of source. Actual average growth since 1990 average of 11.9 percent a year							
Uses of New Revenues		FY08	FY09	FY10	FY11	FY12	FY13
Debt Service	insurance premiums		\$137.0	\$144.1	\$150.8	\$159.7	\$169.5
Transportation Trust Fund		Approp. Act	2/3rds general fund surplus				
Transit Operating	2 cents recordation	0.0	42.7	44.9	45.0	45.3	45.7
Highway Maintenance	others fees/taxes	112.6	196.9	202.5	203.6	204.6	205.3
\$3.0 Billion Bond Authorization							
Amount of Sale - 25-year debt	\$100 m. then \$300 m.						
Transit Capital	20.0%	20.0	60.0	60.0	60.0	60.0	60.0
Rail	4.3%	4.3	12.9	12.9	12.9	12.9	12.9
Federal Highway Match/Revenue Sharing/Statewide & Regional Projects	75.7%	75.7	227.1	227.1	227.1	227.1	227.1

FY 2008 – 2013 CTB Revenue and Allocations



Commonwealth Transportation Fund Estimated Revenues (in millions)

	Fiscal Year							
	2006	2007	2008	2009	2010	2011	2012	2013
State Transportation Revenues								
HMO Less HB3202 Rev	\$ 1,420.0	\$ 1,383.7	\$ 1,400.3	\$ 1,457.2	\$ 1,500.0	\$ 1,530.3	\$ 1,559.1	\$ 1,561.8
TTF Less HB3202 Rev	857.9	936.0	897.6	937.7	978.8	1,013.7	1,046.5	1,066.7
PTF (From TTF)	242.3	131.3	109.8	137.0	144.1	150.8	159.7	169.5
HB3202 Revenues			112.6	197.0	202.5	203.6	204.6	205.4
Local and Other Revenues	<u>365.0</u>	<u>460.8</u>	<u>575.2</u>	<u>596.0</u>	<u>459.8</u>	<u>430.7</u>	<u>397.6</u>	<u>408.4</u>
Total	<u>2,885.2</u>	<u>2,911.8</u>	<u>3,095.6</u>	<u>3,324.9</u>	<u>3,285.2</u>	<u>3,329.1</u>	<u>3,367.5</u>	<u>3,411.8</u>
% growth from prior year		0.9%	6.3%	7.4%	-1.2%	1.3%	1.2%	1.3%
Federal Revenues	<u>1,011.3</u>	<u>1,354.9</u>	<u>1,101.7</u>	<u>1,068.2</u>	<u>1,002.6</u>	<u>1,009.4</u>	<u>1,031.4</u>	<u>1,053.9</u>
% growth from prior year		34.0%	-18.7%	-3.0%	-6.1%	0.7%	2.2%	2.2%
Total Revenues	<u>3,896.5</u>	<u>4,266.7</u>	<u>4,197.3</u>	<u>4,393.1</u>	<u>4,287.9</u>	<u>4,338.5</u>	<u>4,398.9</u>	<u>4,465.7</u>
% growth from prior year		9.5%	-1.6%	4.7%	-2.4%	1.2%	1.4%	1.5%
Other Financing Sources								
HB 3202 Bonds			100.0	300.0	300.0	200.0	300.0	300.0
General Funds	<u>240.0</u>	<u>-</u>	<u>500.0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>240.0</u>	<u>-</u>	<u>600.0</u>	<u>300.0</u>	<u>300.0</u>	<u>200.0</u>	<u>300.0</u>	<u>300.0</u>
Total Revenues and Other Financing Sources	\$ 4,136.5	\$ 4,266.7	\$ 4,797.3	\$ 4,693.1	\$ 4,587.9	\$ 4,538.5	\$ 4,698.9	\$ 4,765.7

Commonwealth Transportation Fund Allocations (in millions)

	Fiscal Year							
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Debt Service	\$ 377.9	\$ 263.5	\$ 263.4	\$ 272.3	\$ 298.9	\$ 292.1	\$ 309.7	\$ 334.3
Other Agencies & Transfers	51.4	45.3	45.4	45.5	45.7	45.8	45.9	46.1
Highway Maintenance	1,374.4	1,498.3	1,583.3	1,643.4	1,707.4	1,774.0	1,843.2	1,915.1
Operations, Tolls & Admin	413.1	485.7	470.6	466.1	478.3	486.2	501.7	511.2
Public Transportation & Rail	319.8	442.2	694.2	713.5	577.1	521.0	503.0	502.8
Ports and Aviation	60.8	59.2	109.8	62.4	65.1	67.4	69.5	70.9
Earmarks & Special Financing	414.2	340.7	583.0	373.5	382.8	352.5	450.3	473.5
Highway Systems Construction	<u>1,124.8</u>	<u>1,131.8</u>	<u>1,047.7</u>	<u>1,116.5</u>	<u>1,032.6</u>	<u>999.5</u>	<u>975.5</u>	<u>911.8</u>
Total	\$ 4,136.5	\$ 4,266.7	\$ 4,797.3	\$ 4,693.1	\$ 4,587.9	\$ 4,538.5	\$ 4,698.9	\$ 4,765.7

Six Year Program Funding Summary

	FY 2008	FY 08-13
Public Transportation	\$319.1 million	\$2.0 billion
Rail	\$102.6 million	\$322 million
Highway Construction*	\$1.63 billion	\$8.7 billion
Total	\$2.05 billion	\$10.92 billion

- The Six-Year Improvement Program (SYIP) reflects \$11 billion in funding for the six years – a increase of \$3.1 billion for public transportation, rail, and highway projects throughout the Commonwealth
- This represents an overall increase of 40 percent over the last Six Year Program

Public Transportation

- ❑ Over the next six years, public transportation funding will increase by 41% to \$2 billion
- ❑ The state share of transit capital is 66% in FY 2008 vs. 22% in FY 2007
- ❑ Key transit initiatives supported by SYIP funding:
 - Dulles Corridor Metrorail Project: \$2.4 - \$2.7 billion*
 - Norfolk Light Rail Transit Project: \$230 million*
 - GRTC Richmond Transit Facility: \$44 million*
 - Universal Access Program: \$400,000
 - VRE Rolling Stock: \$15 million
 - WMATA Rolling Stock: \$20 million
 - Statewide Transit Rolling Stock: \$15 million
- * Dulles, Norfolk, and GRTC are scheduled to begin construction during FY08 for a total of over \$3 billion in major transit initiatives for Virginia
- ❑ The state share of eligible transit operating expenses is 42% in FY 2008, about the same as last year
 - Increased transit operating funding from HB 3202 does not begin until FY 2009

Rail Transportation

- Over the next six years, rail funding will increase by 68% to \$322 million
- Key rail initiatives supported by SYIP funding:
 - I-95 and I-81 rail corridor passenger/freight rail improvements: \$65 million
 - Heartland Corridor: \$7.35 million
 - Suffolk Rail Improvements: \$350,000
 - In addition, highway funds will fully fund the Finney Avenue grade separation project
 - Buckingham Branch shortline passenger/freight rail improvements: \$8.58 million

Highway Construction - Compared to Previous Six Year Programs

	FY 06-11 Final Program*	FY 07-12 Final Program	FY 08-13 Recommended
Federal Funds to Maintenance	\$0.6 billion	\$1.0 billion	\$0.9 billion
Interstate System	\$1.5 billion	\$2.0 billion	\$2.0 billion
Primary System	\$1.5 billion	\$1.2 billion	\$2.0 billion
Secondary System	\$1.0 billion	\$0.8 billion	\$1.3 billion
Urban System	\$0.9 billion	\$0.7 billion	\$1.1 billion
Total Systems	\$4.9 billion	\$4.7 billion	\$6.4 billion
Total Funding in Program	\$7.0 billion	\$6.9 billion	\$8.7 billion

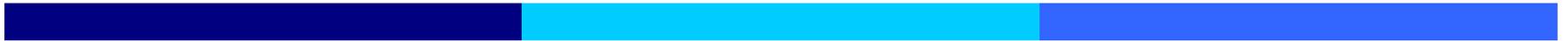
*Deficit funding omitted from system numbers for FY 06-11 comparison purposes

FY 2008 CTB Six Year Program (Allocations in Millions)

District	VDOT Maintenance	Locality Payments	Rail & Public Transportation	Highway Construction
Bristol	\$137.1	\$ 11.8	\$ 4.8	\$ 97.4
Culpeper	73.6	6.3	8.5	53.5
Fred' burg	82.8	2.1	12.4	57.9
Hampton Rds	155.3	140.7	45.9	215.4
Lynchburg	77.1	20.6	7.5	51.2
NoVA	187.6	33.2	217.6	410.2
Richmond	172.6	62.1	23.9	137.7
Salem	132.1	30.2	11.9	93.9
Staunton	110.8	18.8	25.8	86.5
Statewide	128.7			157.8
Total	\$1,257.6	\$325.7	\$358.3	\$1,361.5

Note: Not all funding in table is shown in SYIP. DRPT funding includes capital projects. Construction funding does not include funds distributed by others, subject to negotiation, or awaiting separate CTB action.

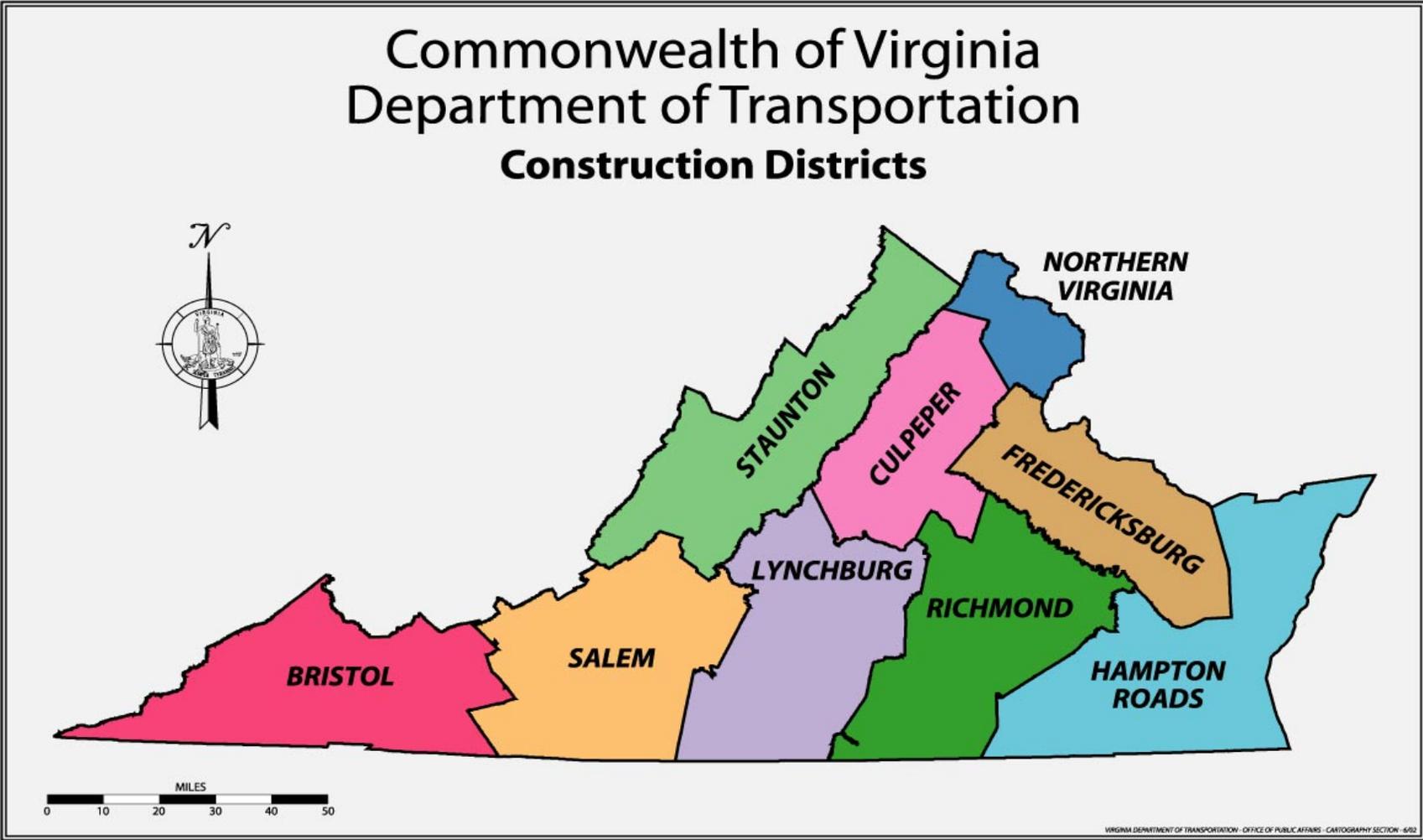
Appendix



Major State Revenue Sources CTF

State Motor Fuels Taxes (17.50 cents per gallon)		<u>FY 2008 Estimate</u>
HMOF	14.85 cents	\$757.6 mil.
TTF	2.50 cents	\$108.1 mil.
DMV	0.15 cents	
Every 1 cent generates \$52.2 million in revenue		
Motor Vehicle Sales and Use Tax (3 percent)		
HMOF	2 percent	\$393.9 mil.
TTF	1 percent	\$212.1 mil.
Every 1 percent generates \$217.6 million in revenue		
Motor Vehicle License Fee (\$39.50)		
HMOF	\$26.00	\$241.3 mil.
TTF	\$ 3.00	\$ 21.6 mil.
DMV	\$ 4.00	
State Police/GF/EMS	\$ 5.50	
Jamestown 2007	\$ 1.00	
State General Sales and Use Tax (5 percent)		
TTF	0.5 percent	\$536.0 mil.

VDOT Construction Districts



Northern Virginia Transportation Authority

- ❑ Authority existed prior to adoption to HB 3202 pursuant to legislation adopted by 2002 General Assembly
- ❑ Northern Virginia Transportation Authority
 - Authority may impose: 40 cent grantor's, 2% vehicle rental, \$10 safety inspection, 1% initial registration, 5% auto repair, \$10 regional registration, and 2% transient occupancy
- ❑ Anticipated to generate about \$330 million at regional level
- ❑ In addition, localities may impose commercial real estate surcharge of up to 25 cents per \$100 value and a \$10 local vehicle registration fee
- ❑ Pursuant to existing voting provisions of NVTa, fees must be adopted by 6 of 9 representing 66% of population
- ❑ Unlike Hampton Roads, NVTa could choose any or all of the fees – not all or nothing proposition
- ❑ Authority voted to adopt the fees on August 28

Northern Virginia Transportation Authority

NORTHERN VIRGINIA REGIONAL PACKAGE (assumes January 2008 Implementation)							
(\$ in millions)							
Authority Imposed	Rate Change	FY08	FY09	FY10	FY11	FY12	FY13
Congestion Relief Fee	40 cents/\$100 value	\$75.8	\$163.6	\$172.0	\$172.4	\$173.6	\$175.2
Motor Vehicle Rental Tax	2%	4.2	8.6	8.8	9.0	9.2	9.5
Transient Occupancy Tax	2%	9.3	23.2	24.1	25.2	26.2	27.3
Safety Inspection Fee	\$10	8.1	16.2	16.2	16.2	16.2	16.2
Initial Vehicle Registration Fee	1%	25.9	62.8	63.9	64.4	65.4	66.4
Sales Tax Applied to Auto Repairs	5%	13.4	33.2	33.2	33.2	33.2	33.2
Regional Registration Fee	\$10	8.5	17.0	17.0	17.0	17.0	17.0
Northern Virginia Authority Total		\$145.1	\$324.5	\$335.2	\$337.4	\$340.9	\$344.8
Local Option Revenues							
Commercial Real Estate (est. is 10 cents)	up to 25 cents	\$41.7	\$83.5	\$83.5	\$83.5	\$83.5	\$83.5
Local Registration Fee	\$10	8.5	17.0	17.0	17.0	17.0	17.0
Northern Virginia Local Option Total		\$50.2	\$100.5	\$100.5	\$100.5	\$100.5	\$100.5

Hampton Roads Transportation Authority

- Establishment and Composition of new Regional Authority
 - Legislation created the Authority and named members to it [Chief elected official of each governing body (or his designee who must be an elected officer) – 12 in total; Ex-officio - 1 CTB member, 2 House members, 1 Senate member, VDOT Commissioner and Director of DRPT]
 - Authority activated and fees may be imposed if at least 7 of 12 localities representing 51% of population pass a resolution stating its approval of the Authority's imposition of the fees before December 31, 2007
 - Authority may then impose (based on a affirmative vote of 7 of 12 Authority members representing 51% of population: 2% regional gas tax, 40 cent congestion relief fee (grantors), 2% vehicle rental, \$10 inspection, 1% initial registration, 5% auto repair, and \$10 regional registration
 - In Hampton Roads, Authority must impose ALL the regional fees
- In addition, authorizes localities to raise additional transportation fees:
 - Local vehicle registration (\$10.00)
 - Commercial Real Estate Assessment (up to 10 cents per \$100 value)
- Regional fees projected to generate about \$170 million a year, local fees up to an additional \$40 million per year
- HRTA established on August 10 pursuant to vote by local jurisdictions

Hampton Roads Transportation Authority

HAMPTON ROADS REGIONAL PACKAGE (assumes January 2008 Implementation)

(\$ in millions)

Authority Imposed	Rate Change	FY08	FY09	FY10	FY11	FY12	FY13
Sales Tax on Gasoline	2%	\$12.6	\$30.2	\$30.2	\$30.2	\$30.2	\$30.2
Congestion Relief Fee	40 cents/\$100 value	22.7	49.1	51.6	51.7	52.1	52.6
Vehicle Rental Fee	2%	1.7	3.5	3.6	3.7	3.8	3.9
Safety Inspection Fee	\$10	6.2	12.3	12.3	12.3	12.3	12.3
Initial Vehicle Registration Fee	1%	17.0	41.2	41.9	42.2	42.9	43.5
Sales Tax Applied to Auto Repairs	5%	7.6	18.9	19.6	20.2	21.0	21.7
Regional Registration Fee	\$10	6.7	13.3	13.3	13.3	13.3	13.3
Hampton Roads Authority Total		\$74.4	\$168.5	\$172.5	\$173.8	\$175.6	\$177.5
Local Option Revenues							
Commercial Real Estate	up to 10 cents	\$10.1	\$20.3	\$20.3	\$20.3	\$20.3	\$20.3
Local Registration Fee	\$10	6.7	13.3	13.3	13.3	13.3	13.3
Hampton Roads Local Option Total		\$16.8	\$33.6	\$33.6	\$33.6	\$33.6	\$33.6
TOTAL HAMPTON ROADS		\$91.2	\$202.1	\$206.1	\$207.4	\$209.2	\$211.1