



AGENDA ITEM #5

TO: Chairman Fisetto and NVTC Commissioners
FROM: Rick Taube and Kala Quintana
DATE: February 2, 2012
SUBJECT: Legislative Items

Members of NVTC and the Northern Virginia Transportation Authority will have the opportunity to jointly discuss legislative matters of mutual interest. Board members can offer further guidance to staff regarding legislative strategy.

Several attachments are provided for use in the discussion, including:

- NVTC's 2012 Legislative Agenda
- A list of the status of bills and budget amendments (to be updated at the meeting)
- Two short discussion papers regarding the proposed consolidation of NVTC and NVTA
- Copies of:
 - HJ 49/S 66 and HB 1291 regarding NVTC/NVTA consolidation
 - HB 601 regarding WMATA Board selections
 - HB 876/SB 138 regarding NVTC's 2.1 percent motor fuels tax

Finally, the U.S. House of Representatives' version of surface transportation reauthorization (HR 7) has been released by the Transportation and Infrastructure Committee. It is called the "American Energy and Infrastructure Jobs Act." It provides:

- Five-year \$250 billion funding for highways, transit and safety
- No earmarks
- Consolidation of 70 programs
- Less emphasis on urban areas
- Permits Governors to override MPO's in certain cases



Federal Legislative Action Items

Immediate and Ongoing Funding

1. As part of the process to restructure federal transportation programs and authorize multi-year funding, provide immediate and ongoing funding for important Northern Virginia transit projects.
2. Continue to appropriate funding for WMATA of at least \$150 million annually as previously authorized by Congress. In recognition of the federal role on the WMATA Board, federal appropriations should continue to ensure the safety and reliability of the region's transit system, on which a large portion of the federal workforce depends.
3. Make available funding for Metro Access from other relevant federal programs, such as those of the U.S. Department of Housing and Human Development and the U.S. Department of Health and Social Services.
4. Include significant funding for transit as a critical strategy in any new spending measures that seek to conserve energy, enhance clean air, mitigate climate change, provide access to jobs, stimulate the economy and respond to emergencies and disasters.
5. Provide immediate funding to facilitate needed transit and other transportation improvements to relieve congestion at BRAC-mandated facilities.

Authorization of Improved Transportation Policies and Programs

6. The current multi-year authorization of federal surface transportation programs (SAFETEA-LU) expired at the end of FY 2009. Many organizations have offered detailed recommendations for a major restructuring rather than fine-tuning existing programs, including the National Surface Transportation Policy and Revenue Commission in its *Transportation for Tomorrow* report and the Miller Center's *Well Within Reach: America's New Transportation Agenda*, among many other pertinent reports and recommendations. Among the primary reasons for this view are shortfalls in gasoline tax revenues flowing to the Highway Trust Fund, proliferation of separate programs with complex eligibility criteria and rampant earmarking, all without a unifying policy focus.

NVTC supports the policy principles adopted by the National Capital Region Transportation Planning Board and those of the American Public Transportation Association and the Northern Virginia Transportation Authority among others. Among the revisions with greatest benefit to NVTC's members are:

- The level of federal investment in U.S. transportation infrastructure, including maintenance of the existing system and expansion, must increase significantly.

- Recognizing that federal fixed per gallon taxes on motor fuels are no longer reliable sources of funding, **new methods must be identified that will grow along with the need to maintain existing facilities and support improvements and system expansions.** Temporary transfers of General Funds or raiding the Transit Trust Fund are not worthwhile strategies to resolve this long-term structural imbalance.

- Fees for highway use that vary with numbers of auto occupants, types of vehicle miles driven and times and places driven should be used to reduce congestion as well as providing revenues. New technologies make such variable pricing feasible.

- Leverage available federal funds with loans and bonding programs.

- Simplified, consolidated and streamlined federal transportation programs should be created with uniform, rigorous and comprehensive benefit/cost analyses across all modes, consideration of energy efficiency and environmental protection, inclusion of safety and security, and reduced federal review time.

- Urban mobility (and hence support for public transit) should be recognized as a vital federal responsibility, in cooperation with states, local governments and regional agencies through intergovernmental partnerships, with greater decision-making authority for metropolitan areas and local governments.

Equitable Tax Incentives for Transit Users

7. Make permanent the existing tax-free monthly transit benefits of at least \$230 (to match the benefits currently available for parking). Index the transit benefits to inflation.

Rail Related Actions

8. Additional federal funding should be provided to commuter rail systems to meet new federal Positive Train Control unfunded mandates contained in the U.S. Rail Safety Act of 2008.

9. Amend the current liability cap of \$200 million to include third party claims.

Promote Green Commuting

10. Allow governments to leverage private capital to create and expand vanpools by making vanpool passenger fare revenue an eligible source for local match of federal grants.

11. Provide further federal funding and other incentives to encourage alternative methods of commuting, including telework, bicycles, walking, vanpools as well as public transit.



2012 LEGISLATIVE AGENDA



State Legislative Action Items

The Transit Funding Crisis

Here are the essential facts:

- Transit is very well used in Northern Virginia with 145 million annual transit passenger trips (75% of Virginia's total transit ridership)

The benefits to the region and entire Commonwealth are enormous. They include:

- Annual congestion relief valued at about \$1 billion;
- Metro alone reduces one million car trips per day;
- Energy savings approaching \$10,000 annually per driver or 40 million gallons of gas saved annually for the Washington, DC region;
- Cleaner air and reduced greenhouse gas emissions including 200 tons of volatile organic compounds and 0.5 million tons of CO₂ avoided in this region each year, with environmental savings valued at \$9.5 million annually;
- Access to jobs and "green" jobs in the transit industry;
- Transit oriented development boosting economic values and hence state and local tax revenues;
- Metro has \$235 billion of real estate value around its system and provides access to two million jobs (54%);
- Mobility for senior citizens and persons with disabilities.

- Currently over \$700 million annually is spent on Northern Virginia's transit for capital and operations by customers and federal, state and local governments;
- Well over \$900 million annually is needed (source: NVTA's TransAction 2030 Plan);
- This leaves a gap of over \$200 million annually in Northern Virginia extending into the future;
- The Commonwealth has consistently failed to meet its own statutory target of covering 95% of eligible transit costs throughout the entire state. In FY 2011, the commonwealth fell \$166 million short.
- Congress has not reauthorized federal transit assistance programs. The American Public Transportation Association estimates that Virginia alone could lose \$100 million annually under a plan introduced to the U.S. House of Representatives.

As the transit funding crisis is getting worse, the Commonwealth must enact major new revenue sources for public transit during the 2012 General Assembly session, with these sources being stable, reliable, proven and permanent, in order to maintain a state of good repair and enhance capacity to promote job growth.

The following options for statewide and regional revenue sources should be considered:

1. New statewide revenue sources for public transit should be enacted. They should at least keep pace with inflation and should not decline as automobiles are driven less and become more fuel efficient. Examples include: sales taxes (one percent yields \$1 billion statewide), indexed motor fuels taxes (10-cents generates almost \$500 million); vehicle miles traveled fees, state/regional income taxes and tolls and congestion pricing. One-time revenue sources are welcome but they are not sufficient to resolve the ongoing transit funding crisis; immediate, continuous and sustainable funding is essential.
2. NVTC's 2.1% motor fuels tax on distributors should be increased to at least 4.2%. The expected annual yield would increase from \$43.8 million in FY 2011 to more than \$87.6 million. This tax is dedicated to WMATA in five of NVTC's jurisdictions. WMATA faces a continuing financial crisis. Its Capital Needs Inventory for the next decade totals \$13.3 billion with emphasis on maintaining a state of good repair and responding to federal safety recommendations.
3. The Commonwealth should impose other new regional taxes and fees for public transit, including restoring previously authorized funds for the Northern Virginia Transportation Authority (HB 3202 in 2007 created several new regional revenue sources with significant funds reserved for WMATA and VRE).
4. Any new statewide revenue measures for transportation, energy conservation, air quality or climate protection should dedicate an appropriate portion to public transit because transit is an effective means to achieve the goals of such legislation. Transit currently receives only 14.7% of Transportation Trust Fund revenues while 34% of the Commonwealth's most recent bond issue was devoted to transit.
5. Existing state transit funding sources should be protected from encroachment, either through diversion of revenues from the Transportation Trust Fund to non-transportation uses or from new intercity passenger rail initiatives. New state priorities should not be funded at the expense of local priorities contained in approved regional plans.
6. If federal transit assistance programs benefiting primarily WMATA are cut back, the Commonwealth must make up the difference in order to preserve existing transit services, since local funding sources are dependent on property tax revenues that remain seriously depressed.
7. Provide funding to facilitate needed transit and other transportation improvements to relieve congestion at BRAC-mandated facilities.

State Legislative Action Items

WMATA Governance and Regional Coordination

8. NVTC supports favorable changes in the WMATA Compact and other legislative actions developed collaboratively with a voice for local governments and WMATA Board members. Such changes should enhance the improvements already implemented by the WMATA Board in a manner that ensures appropriate representation of local governments on the WMATA Board.

9. NVTC opposes efforts to consolidate separate agencies facilitating Northern Virginia's successful transit services where such consolidation would not result in significant savings and will cause serious unintended consequences.



10. Decisions on governance of local transit systems should be determined through agreements among the parties, not by legislation. Important considerations in determining effective governance of local transit systems include provision of sustainable funding by those jurisdictions represented on the board and direct access to local decision-makers by customers and tax payers.

10. As state-mandated transit studies of various corridors are considered, established regional and local priorities should be incorporated.

Improved Efficiency

12. NVTC supports a proposed shift to the Department of Motor Vehicles from the Department of Taxation in administering the motor fuels tax collected in NVTC's and PRTC's districts. This would be accomplished in two phases. First, in 2012 legislation TAX and DMV would be required to report on a transition plan and second, in the 2013 General Assembly session, the plan would be approved and implementation could begin July 1, 2013. The 2012 legislation should include revisions to the existing statute to provide penalties for misallocation of revenues among jurisdictions. Also, a re-examination of the existing three-year statute of limitations should be performed (currently some audits may not be completed within the three-year limit) and if necessary, modifications should be included in the 2012 legislation.

13. Amend the Virginia Public Investment Act to permit transit systems to buy and sell exchange traded fuel futures contracts to reduce costs and provide a reserve for any fuel budget shortfalls.

Safety

14. Safety in accessing transit should be enhanced by enacting legislation to require motorists to stop for pedestrians in marked crosswalks at unsignalized intersections where posted speeds are 35 mph or less and at unsignalized crosswalks in front of schools

VRE and other Rail-Related Legislative Actions

15. Amend the Virginia Code to further cap liability for commuter rail operations by including third party claims and terrorism.

16. Allow VRE, at its discretion, to utilize an independent third party or the Division of Risk Management to manage VRE's liability insurance plan and trust fund.

17. Amend the Virginia Code to allow VRE to receive interest on the Insurance Trust Fund. While past practice allowed VRE to receive interest from these funds, an Executive Order last session changed the policy. The proceeds are now given to the Commonwealth despite the fact that the Insurance Trust Fund was established and is replenished with local funds.

18. Amend the Virginia Code to increase maximum fines for repeat offenders traveling on VRE trains with an invalid or fraudulent ticket.

19. Amend the Virginia Code to allow VRE to recoup a portion of the fines imposed on fare evasion cases. Currently, when a conductor is required to attend court, VRE must pay for their appearance in court as well as for another conductor to be on the train. Cumulatively, this puts the financial burden for prosecution on VRE while all fines are directed to the Commonwealth Literary Fund.

20. Amend Chapter 774 of the Virginia Code to eliminate the annual index increase in the aggregate awardable liability claim a rail passenger can make per incident. Under the current Code, the threshold (now \$100,000) will be increased each year based on the percentage of change in the medical care component of the Consumer Price Index (as published by the Bureau of Labor Statistics). The first increase is set to take place in January 2012. The existing statute could increase the current \$250 million liability insurance threshold imposed by the Class 1 freight railroads.

21. Virginia's existing Rail Enhancement Program should be made available to fund the operating expenses of eligible regional and intercity passenger rail services that have benefits commensurate with costs.

22. Where freight railroads are the beneficiaries of state investments, they should be required to agree to cooperate with publicly provided passenger rail services on equitable terms.



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Composite view

Bills	Committee	Last action	Date
HB 2 - Marshall, R.G. - Dulles Corridor Metrorail Project; prohibits use of state funds for Phase II of Project, etc.	(H) Committee on General Laws	(H) Assigned GL sub: #2 FOIA/Procurement	01/13/12
HB 7 - Edmunds - Bicycles; riders approaching intersection controlled by traffic lights need not to wait two minutes.	(H) Committee on Transportation	(H) Passed by indefinitely in Transportation	01/24/12
HB 11 - Cole - Transportation; bonds for specific project on northbound and southbound lanes of Interstate 95.	(H) Committee on Appropriations	(H) Subcommittee recommends laying on the table	01/30/12
HB 23 - Cole - Transportation Trust Fund; increases amount of sales and use tax revenue dedicated to Fund.	(H) Committee on Appropriations	(H) Assigned App. sub: Transportation	01/31/12
HB 30 - Putney - Budget Bill.	(H) Committee on Appropriations	(H) Referred to Committee on Appropriations	12/19/11
HB 33 - Comstock - Public procurement; state agency agreements with labor organizations.	(H) Committee on General Laws	(H) VOTE: PASSAGE (69-Y 27-N)	01/31/12
HB 52 - Albo - Tax information; permits Attorney General to disclose information related to cigarettes, etc.	(H) Committee on Finance	(H) Printed as engrossed 12100767D-E	02/01/12
HB 85 - Greason - HOV lanes; extends sunset provision on use by vehicles with clean special fuel license plates.	(H) Committee on Transportation	(H) Assigned Transportation sub: #3	01/24/12
HB 92 - Marshall, R.G. - Urban development areas; incorporation of areas optional rather than mandatory, etc.	(H) Committee on Counties, Cities and Towns	(H) Assigned CC & T sub: #2	01/18/12
HB 211 - Miller - Forward energy pricing; authorizes any public body to use mechanisms for budget risk reduction.	(H) Committee on General Laws	(H) Assigned GL sub: #2 FOIA/Procurement	01/27/12
HB 256 - Stolle - HOV lanes; extends sunset clause in Northern Virginia and in Hampton Roads.	(H) Committee on Transportation	(H) Assigned Transportation sub: #3	01/23/12
HB 262 - Peace - Transportation Board; increases number of members and adds an urban at-large member.	(H) Committee on Transportation	(H) Committee substitute printed 12104800D-H1	01/31/12
HB 393 - Howell, A.T. - Motor fuels tax; dedicates additional revenue to operation, etc., of transportation system.	(H) Committee on Finance	(H) Subcommittee recommends laying on the table	02/01/12
HB 407 - Torian - Prince William County Metrorail Improvement District; created.	(H) Committee on Transportation	(H) Continued to 2013 in Transportation	01/24/12
HB 422 - Watts - Transportation; additional funding by imposing and increasing certain taxes.	(H) Committee on Finance	(H) Subcommittee recommends laying on the table	02/01/12
HB 599 - LeMunyon - Northern Virginia	(H) Committee on Transportation	(H) Assigned Transportation	01/20/12

Transportation District; establishes responsibilities for various entities.	transportation	sub: #4	
HB 600 - LeMunyon - Transportation Board; changes composition.	(H) Committee on Transportation	(H) Subcommittee recommends laying on the table	01/26/12
HB 601 - LeMunyon - Washington Metropolitan Area Transit Authority; board membership.	(H) Committee on Transportation	(H) Reported from Transportation (16-Y 6-N)	01/31/12
HB 625 - LeMunyon - Transportation planning; proposed comprehensive plans in Northern Virginia.	(H) Committee on Counties, Cities and Towns	(H) Assigned CC & T sub: #2	01/17/12
HB 627 - LeMunyon - Dulles Corridor Metrorail Project; use of state funds.	(H) Committee on General Laws	(H) Assigned GL sub: #2 FOIA/Procurement	01/20/12
HB 659 - Surovell - Transportation Board; increases number of members.	(H) Committee on Transportation	(H) Subcommittee recommends laying on the table	01/26/12
HB 693 - Plum - HOV lanes; extends sunset provision on use by vehicles with clean special fuel license plates.	(H) Committee on Transportation	(H) Assigned Transportation sub: #3	01/20/12
HB 706 - Filler-Corn - Pedestrians; requires vehicle drivers to stop at marked crosswalks, etc.	(H) Committee on Transportation	(H) Subcommittee recommends laying on the table	02/01/12
HB 723 - Yancey - Transportation; funding and administration in various construction districts.	(H) Committee on Appropriations	(H) Subcommittee recommends laying on the table	01/30/12
HB 802 - May - Virginia Pump Toll; established.	(H) Committee on Finance	(H) Subcommittee recommends laying on the table	02/01/12
HB 827 - Marshall, R.G. - Transportation districts; repeals allocation of funds.	(H) Committee on Transportation	(H) Assigned Transportation sub: #4	01/20/12
HB 864 - Rust - Transportation Board; changes composition.	(H) Committee on Transportation	(H) Subcommittee recommends reporting with amendment(s) (3-Y 2-N)	01/26/12
HB 876 - Rust - Motor vehicle fuels sales tax; transfer administration and collection to DMV.	(H) Committee on Finance	(H) Read second time and engrossed	02/01/12
HB 892 - Alexander - Highway Construction Projects Trust Fund; established.	(H) Committee on Finance	(H) Assigned Finance sub: #1	01/20/12
HB 898 - Albo - Highway Maintenance and Operating Fund; for transportation funding.	(H) Committee on Finance	(H) Assigned Finance sub: #1	01/20/12
HB 899 - Albo - Retail Sales and Use Tax and motor fuels tax; funds for transportation.	(H) Committee on Finance	(H) Assigned Finance sub: #1	01/20/12
HB 983 - Scott, J.M. - Motor fuels tax rate; converts rate from cents per gallon to a percentage rate.	(H) Committee on Finance	(H) Subcommittee recommends laying on the table	02/01/12
HB 1027 - Englin - Motor fuels tax; permits two or more localities to impose.	(H) Committee on Finance	(H) Assigned Finance sub: #2	01/20/12
HB 1039 - Keam - Highway maintenance payments; increased by Commissioner where traffic volumes exceed certain average.	(H) Committee on Transportation	(H) Assigned Transportation sub: #1	01/20/12
HB 1068 - Hugo - Real estate tax; commercial and industrial property in localities in Northern	(H) Committee on Finance	(H) Subcommittee recommends reporting with	02/01/12

and industrial property in localities in Northern Virginia.		recommends reporting with amendment(s) (10-Y 0-N)	
HB 1239 - Putney - Retail Sales and Use Tax; increased from four percent to five percent, and distribution of revenues.	(H) Committee on Finance	(H) Subcommittee recommends laying on the table	01/25/12
HB 1241 - Purkey - Motor fuels tax; required to be indexed starting on January 1, 2014.	(H) Committee on Finance	(H) Assigned Finance sub: #2	01/24/12
HB 1248 - Lingamfelter - Transportation; provides for construction, operation, maintenance, and funding, report.	(H) Committee on Appropriations	(H) Assigned App. sub: Transportation	01/23/12
HB 1291 - Gilbert - Governor's reorganization of executive branch of state government.	(H) Committee on General Laws	(H) Assigned GL sub: #5 Special	01/27/12
HJ 49 - Gilbert - Governor's Executive Reorganization Plan; approval by each house of General Assembly.	(H) Committee on Rules (S) Committee on General Laws and Technology	(S) Referred to Committee on General Laws and Technology	01/23/12
HJ 71 - Watts - Constitutional amendment; Transportation Funds.	(H) Committee on Privileges and Elections	(H) Referred to Committee on Privileges and Elections	01/10/12
HJ 90 - Comstock - Constitutional amendment; Transportation Funds (first reference).	(H) Committee on Privileges and Elections	(H) Referred to Committee on Privileges and Elections	01/10/12
HJ 146 - Herring - High capacity transit; Transportation Board to make priority for funding by State.	(H) Committee on Appropriations	(H) Subcommittee recommends laying on the table	01/30/12
SB 3 - Black - Dulles Corridor Metrorail Project; prohibits use of state funds for Phase II of Project, etc.	(S) Committee on Finance	(S) Referred to Committee on Finance	12/01/11
SB 40 - Reeves - Retail Sales and Use Tax; applicable to public transportation companies operated by locality.	(S) Committee on Finance	(S) Reported from Finance with amendments (13-Y 0-N)	02/01/12
SB 138 - Puller - Motor vehicle fuels sales tax; transfers administration and collection to DMV.	(S) Committee on Finance	(S) Referred to Committee on Finance	01/10/12
SB 161 - Petersen - Transportation Board; increases number of membership.	(S) Committee on Transportation	(S) Continued to 2013 in Transportation (15-Y 0-N)	01/25/12
SB 162 - Petersen - Fuels taxes; indexing of tax rates.	(S) Committee on Finance	(S) Referred to Committee on Finance	01/10/12
SB 209 - Barker - HOV lanes; extends sunset provision on use by vehicles with clean special fuel license plates.	(S) Committee on Transportation	(S) Read third time and passed Senate (32-Y 8-N)	01/24/12
SB 212 - Barker - High occupancy toll (HOT) lanes; construction contracts.	(S) Committee on Transportation	(S) Passed by indefinitely in Transportation (15-Y 0-N)	01/25/12
SB 503 - Saslaw - Motor vehicle fuels sales tax; transfers administration and collection to DMV.	(S) Committee on Finance	(S) Rereferred to Finance	02/01/12
SB 531 - Marsden - Northern Virginia Transportation District; establishes responsibilities for various entities.	(S) Committee on Transportation	(S) Committee substitute printed 12104993D-S1	02/01/12
SB 539 - Puller - Forward energy pricing; authorizes any public body to use mechanisms for budget risk reduction.	(S) Committee on General Laws and Technology	(S) Constitutional reading dispensed (39-Y 0-N)	02/01/12
SB 631 - Watkins - Motor fuels tax; required to be indexed starting on January 1, 2014.	(S) Committee on Finance	(S) Referred to Committee on Finance	01/20/12

SB 639 - Wagner - Transportation; provides for construction, operation, maintenance, and funding, report.	(S) Committee on Finance	(S) Rereferred to Finance	01/25/12
SJ 2 - Obenshain - Constitutional amendment; Transportation Funds (first reference).	(S) Committee on Privileges and Elections	(S) Continued to 2013 in Privileges and Elections (15-Y 0-N)	01/17/12
SJ 6 - Black - Constitutional amendment; Transportation Funds (first reference).	(S) Committee on Privileges and Elections	(S) Continued to 2013 in Privileges and Elections (15-Y 0-N)	01/17/12
SJ 52 - Ebbin - High capacity transit; Transportation Board to make priority for funding by State.	(S) Committee on Rules	(S) Referred to Committee on Rules	01/10/12
SJ 66 - McDougle - Governor's Executive Reorganization Plan; approval by each house of General Assembly.	(S) Committee on General Laws and Technology	(S) Agreed to by Senate (22-Y 17-N)	01/20/12

Email complete list (include message below, if desired): kala@nvtcd.org

MEMBER TRANSIT AND RAIL BUDGET AMENDMENTS: 2012 General Assembly Session

Below are amendments to the budget for the current and upcoming bienniums submitted by individual members. House Appropriations and Senate Finance Transportation Subcommittees will consider and act on these amendments by February 19th. **VTA introduced two amendments which would add approximately \$10M to the Mass Transit Fund in FY 12 and FY 13 and 14.**

HB 30/ SB 30 Putney/Colgan		Budget Bill. Appropriations of the Budget submitted by the Governor of Virginia providing a portion of revenues for the two years ending respectively on the thirtieth day of June, 2013, and the thirtieth day of June, 2014.
Item 441 #1h Kory	\$10M in FY12-13 and FY13-14	This amendment provides \$10.0 million general fund each year to supplement available funding for mass transit to help maintain and support public transportation services that provide commuters with job access. The source of the general fund support is a reduction to economic development incentives in Item 105 of House Bill 30.
Item 441 #4s Saslaw *VTA Amendments		
Item 430 #1h Hugo/Comstock	Language	This amendment states that no project may be undertaken by the Commonwealth Transportation Board or any state funds be expended in support of a project if such project or projects are subject to mandatory project labor agreements. Companion legislation, House Bill 33, would codify these requirements
Item 430 #2h LeMunyon	Language	Notwithstanding any contrary provision of law, no revenues of the Commonwealth, from whatsoever source, shall be allocated, paid, or expended in connection with Phase II of the Dulles Corridor Metrorail Project extending the line beyond Wiehle Avenue in Fairfax County to Washington Dulles International Airport & on to Virginia Route 772 in Loudoun County unless (i) all persons working or seeking work, directly or indirectly, on the Phase II Project or any portion thereof may do so without regard for whether a person is a member of a labor union, (ii) the Phase II Project will comply in all respects with Chapter 4 (§ 40.1-52 et seq.) of Title 40.1, (iii) all meetings & records pertaining to the project are in compliance with the Virginia Freedom of Information Act (§ 2.2-3700 et seq.), (iv) the Secretary of Transportation determines that Phase I of the Dulles Corridor Metrorail Project, at such time as it becomes operational, shall not cause a reduction in service to existing Virginia Metrorail passengers, & (v) no tolls imposed & collected for use of the Dulles Toll Road are used to pay for the Phase II Project, including principal or interest on debt issued to pay for the Phase II Project
Item 430 #3h R. Marshall	Language	This amendment prohibits the use of any source of state funding on Phase 2 of the Dulles Corridor Metrorail Project unless the MWAA meets Virginia's open meeting requirements as set out in the Freedom of Information Act.
Item 430 #4h R. Marshall	Language	This amendment prohibits the use of any source of state funding, including tolls, on Phase 2 of the Dulles Corridor Metrorail Project unless the project finances are subject to state audit.
Item 430 #5h R. Marshall	Language	This amendment prohibits the use of any source of state funding, including tolls, on Phase 2 of the Dulles Corridor Metrorail Project unless the MWAA meets Virginia's open meeting requirements as set out in the Freedom of Information Act.
Item 430 #6h R. Marshall	Language	Notwithstanding any contrary provision of law, no revenues of the Commonwealth, from whatsoever source, shall be allocated, paid, or expended in connection with Phase II of the Dulles Corridor Metrorail Project beyond Wiehle Avenue in Fairfax County to Washington Dulles International Airport and on to Virginia Route 772 in Loudoun County if the project or phase of the project (i) is subject to a project labor agreement, (ii) the policy or bylaws of the Metropolitan Washington Airports Authority governing public access to the Authority's meetings and records are incompatible with Virginia's Freedom of Information Act (§ 2.2-3700 et seq.), or (iii) Phase II of the Project and its finances will not be subject to audit by either the Virginia Department of Transportation or the Auditor of Public Accounts
Item 430 #7h R. Marshall	Language	This amendment prohibits the use of any source of state funding on Phase 2 of the Dulles Corridor Metrorail Project unless the project finances are subject to state audit.
Item 430 #8h R. Marshall	Language	This amendment prohibits the use of any source of state funding on Phase II of the Dulles Corridor Metrorail Project, including Dulles Toll Road revenues, unless a series of conditions are met.
Item 441 #2h Plum; Rust	Language	This amendment directs the CTB to utilize \$350.0 million, in addition to the \$150.0 million already committed by the State, to buy down the costs of the Dulles Corridor Metrorail Project to reduce the price of tolls on the Dulles Toll Road that are being used to support the project costs. The amount

Item 441 #1s Watkins; Martin	Language	requested matches the amount of public funding the Commonwealth has announced it will commit to the Route 460 project in Hampton Roads. From such funds allocated for public transportation purposes in this item, there is hereby allocated \$68,000 in the first year and \$68,000 in the second year for the continued operation of GRTC Express Services between Chesterfield Town Centre in Chesterfield County and downtown Richmond. Receipt of this funding is contingent upon the commitment of local matching funding of \$68,000 for each year.
Item 441 #2s Edwards	Language	Included in the amounts for Public Transportation Programs, \$150,000 in the first year is hereby provided for the continued operation of transit connector service from the Roanoke Valley to the Kemper Street Station in Lynchburg as part of the daily intercity passenger rail service.
Item 441 #3s Watkins Martin	Language	From such funds allocated for public transportation purposes in this item, there is hereby allocated \$200,000 in the first year and \$200,000 in the second year for the continued operation of GRTC Express services between Hull St. Road in Chesterfield County and downtown Richmond. Receipt of this funding is contingent upon the commitment of local matching funding of \$200,000 for each year.
Item 445 #1s Herring	Language	This amendment provides up to \$250,000 for an Integrated Corridor Management Plan for Route 7 in Loudoun and Fairfax Counties.
Item 447 #2h J. Scott	(\$54.41M) in FY12-13 and (\$56.62M) in FY13-14	This amendment removes the additional portion of the general sales and use tax deposited into the Highway Maintenance and Operating Fund in House Bill 30 as introduced pursuant to legislation to be offered to the 2012 Session of the General Assembly. A companion amendment to Item 139 appropriates the funds for public education and is used to restore the inflation adjustment removed from re-benchmarking. House Bill 983, which shifts the taxation of gasoline from a cents per gallon to a percentage basis provides an alternate method to increase funding for transportation in the long-term, thus eliminating the need to shift what currently are general fund resources to transportation.
Item 447 #1s Saslaw	(\$54.4M) in FY12-13 and (\$56.6M) in FY13-14	This amendment eliminates the Governor's proposed increase in sales tax proceeds deposited to the Highway Maintenance and Operating Fund. Because this amount was reduced from the FY 2013 and FY 2014 revenues, the reallocation of this revenue to the General Fund will be taken care of during enrolling.
Item 450 #1s Howell	Language	This amendment provides an appropriation of \$500 million in Virginia Transportation Capital Project Revenue bond proceeds for the Dulles Corridor Metro project to buy-down tolls on the Dulles Toll Road that would be used to support bonded debt. The amendment further provides that the total allocation for Phase II of the Dulles Metro extension shall not be less than any amount authorized by the Commonwealth Transportation Board for proposed construction of the Route 460 Improvement Corridor.
Item 450 #2s Herring Howell	Language	This amendment provides \$500 million in Commonwealth Project Revenue Bond proceeds for construction of Phase II of the Dulles Metro Silver Line.
HB 29 / SB 29 Putney/Colgan		Budget Bill. Amending Chapter 890, 2011 Acts of Assembly.
Item 452 #1h J. Scott	Language	This amendment directs that \$9.9 million of the fiscal year 2011 general fund surplus amounts dedicated to transportation be used to support the Mass Transit Fund. The amount represents 14.7% of the general fund amounts, the share of funds which mass transit receives from the transportation trust fund.
VTA Amendment		
Item 452 #2s Saslaw	Language	This amendment reduces the proposed deposit of \$67.2 million to the Virginia Transportation Infrastructure Bank by 14.7 percent to account for the Mass Transit Trust Fund share of the FY 2011 General Fund surplus. Statute requires that surplus revenues be deposited to the Transportation Trust Fund, however Appropriations Act language currently overrides this provision and directs these funds to be deposited to the Virginia Transportation Infrastructure Bank.
VTA Amendment		
Item 436 #1h LeMunyon	Language	This amendment prohibits the use of any source of state funding on Phase II of the Dulles Corridor Metrorail Project unless a series of requirements are met.
Item 436 #2h R. Marshall	Language	This amendment prohibits the use of any source of state funding, including tolls, on Phase 2 of the Dulles Corridor Metrorail Project unless the project finances are subject to state audit.

Item 436 #3h R. Marshall	Language	This amendment prohibits the use of any source of state funding on Phase 2 of the Dulles Corridor Metrorail Project unless the MWAA meets Virginia's open meeting requirements as set out in the Freedom of Information Act
Item 436 #4h R. Marshall	Language	This amendment prohibits the use of any source of state funding on Phase 2 of the Dulles Corridor Metrorail Project unless the MWAA meets Virginia's open meeting requirements as set out in the Freedom of Information Act
Item 436 #5h R. Marshall	Language	This amendment prohibits the use of any source of state funding on Phase 2 of the Dulles Corridor Metrorail Project unless a series of conditions are met.
Item 436 #6h R. Marshall Item 436 #7h R. Marshall	Language	This amendment prohibits the use of any source of state funding on Phase 2 of the Dulles Corridor Metrorail Project unless the project finances are subject to state audit.
Item 448 #1h Orrock	Language	This amendment modifies language related to average dwell times of hazardous material shipments related to certain infrastructure projects and adds language that clarifies the goal of the projects include promoting safety. The current language is too narrowly worded to facilitate a grant agreement that would fund the projects agreed to by the various parties. Because this item is not set out in House Bill 29, it is the intent of the General Assembly that the proposed amendments to the language would occur during enrollment of House Bill 30 as adopted.
Item 448 #2s Reeves	Language	This amendment modifies language related to the use of Rail of Industrial Access Funds to include public safety improvements at the Mayfield Yard in the City of Fredericksburg. Additionally, the language eliminates the requirement that these funds be used for improvements that reduce the storage time of hazardous materials to 24 hours. Current federal law requires that these materials be stored in one location not longer than 48 hours.
Item 452 #1s Watkins	Language	This amendment eliminates the proposed deposit of \$67.2 million to the Virginia Transportation Infrastructure Bank from FY 2011 General Fund surplus amounts and directs that this deposit instead be used for the one-time capitalization of the Intercity Passenger Rail Operating and Capital Fund that was proposed by Governor McDonnell and approved by the 2011 General Assembly. Statute requires that surplus revenues be deposited to the Transportation Trust Fund, however Appropriations Act language currently overrides this provision and directs these funds to be deposited to the Virginia Transportation Infrastructure Bank.

VALUE ADDED BY THE NORTHERN VIRGINIA TRANSPORTATION COMMISSION

--January, 2012--

DISTRICT

- Over a thousand square miles with a population of 1.6 million (Arlington, Fairfax and Loudoun counties and the cities of Alexandria, Fairfax, and Falls Church).

PURPOSE

- Created by Virginia General Assembly in 1964 to plan and finance Metrorail and to serve as a forum for enhancing regional transit with all the powers of the Transportation District Act. NVTC appoints Virginia's members of the Metro Board and co-owns the Virginia Railway Express (VRE). In FY 2011, 145 million transit trips were taken in Northern Virginia, comprising 75% of the total in all of Virginia.

ADMINISTRATIVE BUDGET

- \$1.2 million annually with staff of six full-time and two part-time. Covers all activities listed below with no additional charges to NVTC's jurisdictions.

SOURCES OF OPERATING REVENUES

- 60% from state transit assistance, 25% from local government General Fund contributions, 10% from budget carry-overs, and 5% from other grants and contributions.

FINANCIAL RESPONSIBILITIES

- Receive \$44 million annually of regional motor fuels taxes dedicated to Metro; audit allocation among NVTC's jurisdictions (corrected \$1.6 million in taxpayer errors in 2011); hold funds in trust for NVTC's jurisdictions.
- Manage \$125 million in revenue in FY 2011 at an administrative cost of \$0.003 per dollar of assets (substantially lower than peer local and state agencies); reallocate these funds using a complex subsidy allocation model.
- As a trustee for its member jurisdictions, provide cash flow forecasts balancing transit assistance revenues with bills from transit providers; hold funds in trust pending payment instructions from jurisdictions to pay their transit bills.
- Co-owner of \$378 million in VRE assets and issuer of \$150 million of VRE bonds (\$25 million outstanding); appoint members to VRE Board, approve VRE budgets and hire VRE's Chief Executive Officer.

STATE AND FEDERAL GRANT MANAGEMENT RESPONSIBILITIES

- \$500,000 TransAction 2040 Plan Update of the Northern Virginia Transportation Authority (NVTA) with \$250,000 in savings due to NVTC's public outreach support.
- Alexandria, Arlington and Falls Church transit projects (\$13 million); NVTC is responsible for meeting the complex federal requirements.

PROJECT MANAGEMENT RESPONSIBILITIES

- National Transit Database reporting (yields over \$5 million in net annual revenues for Metro).
- Route 7 corridor multi-modal study (Alexandria to Tysons Corner) with \$437,500 in grants.
- Transit customer information systems handling 4 million annual requests for e-schedules.
- Previously completed senior transit travel training; real-time passenger information systems; low emissions small bus system start-up; and other demonstrations of innovative transit technologies.

INITIATIVES IN REGIONAL COORDINATION

- Co-leading Virginia Vanpool Incentive Program development promising net annual profits after three years of as much as \$5 million.
- Assisting NVTC's jurisdictions in completing the complex institutional details for a successful expansion of Metrorail in the Dulles Corridor.
- Responsible for the coordinated \$5 million purchase and successful installation of SmarTrip fareboxes on seven separate Northern Virginia transit systems.

PUBLIC EDUCATION RESPONSIBILITIES

- Regularly compile transit performance data from eight separate transit systems operating in NVTC's district to alert the public to transit opportunities and funding requirements.
- Formulate coordinated regional policy positions on such matters as transit plans, routes, fares and access to transit services.
- Maintain an informative website with visits up 17% from last year.

IF THERE WERE NO NVTC, THE REGION WOULD NEED TO:

- Amend the WMATA Compact to provide for selection of Virginia's members of the Metro Board (requires identical action by Virginia, Maryland and D.C. plus the U.S. Congress).
- Rewrite the VRE Master Agreement (requires identical action by nine local jurisdictions)
- Add as many as six senior local project managers plus six senior local financial administrators (to, among other duties, apply for \$250 million in state transit assistance, manage up to \$200 million of revenues, prepare financial statements for audit and identify taxpayer errors in the regional motor fuels sales tax).
- Negotiate a new sharing agreement among NVTC's local jurisdictions for state transit assistance.
- Hire a Public Information Officer, Web Manager and Chief Audit Officer for NVTA (NVTC staff voluntarily fills those positions now).
- Identify a new mechanism for NVTC's six jurisdictions to meet to agree on coordinated transit policies.
- Refund and reissue \$25 million of VRE bonds outstanding.

For further information go to www.thinkoutsidethecar.org



Discussion of Governor McDonnell's Proposal to Consolidate NVTC and NVTA

Proposal

Governor McDonnell has proposed consolidating the Northern Virginia Transportation Commission (NVTC) and the Northern Virginia Transportation Authority (NVTA):

“The Northern Virginia Transportation Commission (NVTC) would be consolidated with the Northern Virginia Transportation Authority (NVTA) so that the NVTA would assume all powers and responsibilities of the NVTC. The merger would create a singular, unified group to represent Northern Virginia’s localities on transportation issues.”

“Under the consolidation, the powers and duties of the NVTC would be assumed by the NVTA, except that the NVTC would remain as a subsidiary solely for the purposes of appointing Virginia’s representation to the WMATA Board of Directors.”

The consolidation proposal purports to *“provide for more direct funding of transit, consolidate duplicative organizations, and create one unified organization for improving transportation in Northern Virginia.”*

The Governor has not provided an explanation of how his proposal achieves any of these goals. As explained below, instead it appears to create further complications for transportation planning, coordination and implementation for the region.

The proposed consolidation does not recognize significant complications of NVTC’s co-ownership of the Virginia Railway Express (VRE). It also overlooks the fact that there is no overlap in operations and expertise between NVTC and NVTA. NVTA has no staff or budget and therefore no financial savings will occur from consolidation.

Overview of Organizations

Each organization was created at a different time in order to address unique transportation issues that were locality specific.

- NVTC was established in 1964. It includes six jurisdictions. Its responsibilities include appointing Virginia’s members of the Washington Metropolitan Area Transit Authority (WMATA) Board, managing Northern Virginia gas tax revenues, managing transit projects and grants for its jurisdictions, coordinating transit services, conducting transportation research and initiating innovations for local transit systems.
- VRE, Northern Virginia’s commuter rail service, began service in 1992 and is jointly owned by NVTC and the Potomac Rappahannock Transportation Commission (PRTC), so that the effects on PRTC and its member jurisdictions must be considered in the proposed consolidation, including NVTC- issued bonds for VRE and a complex multi-jurisdiction Master Agreement executed by NVTC.
- NVTA, created in 2002, includes nine jurisdictions plus a representative of several towns. It was tasked with long-range transportation planning, programming highway and other transportation funds, and advocating for Northern Virginia’s transportation needs. NVTA has no staff, no official offices (only a mailbox and phone number), and minimal funding of \$50,000 annually provided by VDOT to cover incidental mailbox, telephone and meeting expenses (which NVTA is not spending given volunteer efforts of staff of its member jurisdictions).

While a combined transportation agency could be developed, consolidation would require significant effort, detract from each agency’s current mission, and almost certainly function no more effectively than the separate agencies, given their unique missions. Many unanticipated consequences would result.

Agency Funding and Governance

	NVTA	NVTC
Total Staff	0	6 FT; 2 PT
Total Budget in FY2012	\$0	\$1.2 Million
Financial Assets	\$116,000	\$148 Million held for member jurisdictions. Co-ownership of \$378 million of VRE assets
Support from State General Fund	\$0	\$0
Lease Agreements	\$0	\$2 Million for 10-year Office Lease
Bonds	\$0	\$25 Million in outstanding bonds for VRE
Board Meetings in FY2011	3	9
Total Board Members (Excluding Alternates)	17	20

Conclusion: NVTC is an active organization with a small staff and significant financial resources and commitments. NVTA has not received anticipated funding and has no staff.

Agency Responsibilities

	NVTA	NVTC
Coordinates Local and Regional Transit Services		X
Co-owns VRE (Commuter Rail)		X
Appoints Virginia's Members of the WMATA Board		X
Receives 2.1% Motor Vehicle Tax Which Funds Member Jurisdictions' WMATA and other Transportation Expenses		X
Issued Bonds and Manages Trust Funds For Member Jurisdictions		X
Allocates CMAQ/RSTP Federal Funds and Other Funds That May Be Made Available By the General Assembly or Federal Government	X	
Prioritizes Transportation Projects and Agrees on Project Funding	X	
Agrees on Unified Virginia Positions On Issues to be Acted On By the Regional Metropolitan Planning Organization	X	
Prepares Unconstrained Long-Range Regional Surface Transportation Plan	X	
Demonstrates New Transit Technology		X
Advocates for Public Transit in General		X
Compiles Transit Performance Data and Educates the Public		X
Serves as Trustee for State Transit Assistance		X

Conclusion: No overlapping responsibilities.

Rationale for Consolidation, Per the Governor's Recommendation

Rationale 1: "Provide more direct funding of transit"

- The member jurisdictions of NVTC, NVTA and VRE have adopted different and complex approaches to allocating revenue and shares of their administrative budgets, either statutorily or through other agreements, that best meet the region's objectives. None of these jurisdictions is seeking a change in funding allocations.
- In Northern Virginia, transportation spending priorities are developed in a collaborative manner, transit services are effectively and closely coordinated, and no territorial conflicts exist between the agencies.
- No state general funds are used for the agencies' administrative budgets.

Rationale 2: "Consolidate duplicative organizations"

- Currently the two agencies serve different territories. Consolidating these agencies could result in jurisdictions voting on issues outside their boundaries/interests.
- To ensure that all issues are properly addressed, the consolidated agency would likely have to include subcommittees to address specific areas, thereby creating further bureaucratic layers.

Rationale 3: "Create one unified organization for improving transportation in Northern Virginia."

- In 2008, the Transportation Planning Board (TPB) reconfirmed a cooperative planning approach that avoids overlapping and competing planning responsibilities in an agreement executed by TPB, VDOT, DRPT, WMATA, NVTC, NVRC and others. If the region were failing to meet these federally mandated requirements, federal transportation funds would be withheld.

Conclusion: The Governor has not provided evidence that his proposal achieves any of his stated objectives.

Additional Adverse Consequences from the Proposal

Governance

- Currently NVTA and NVTC have 37 combined board members, primarily local elected officials, General Assembly members and the Governor's appointees. Methods for appointments for the new consolidated agency would have to be resolved. Additionally, decisions would have to be made regarding whether representation would be allocated based on population, financial contribution, or other criteria. Such criteria may upset the current balance of decision-making authority in the two organizations that is currently producing effective outcomes.
- Given NVTC's current role in selecting Virginia's WMATA board members, it is likely that reshuffling the organization will affect the way those selections are made, creating winners and losers. For example, NVTA's board includes DRPT's Director, the Administrator of the Northern Virginia District of VDOT, two citizen members appointed by the Governor, the mayor of a town and three General Assembly members that may not all be from NVTC's WMATA jurisdictions.

Legal Issues

- Issues related to bonds, leases, and other legal documents must be reviewed and resolved. For example, in contrast to NVTA, NVTC has liability protection tailored to its ownership of VRE and also has negotiated labor agreements supporting millions of dollars in federal transit grants that would have to be unwound if NVTC ceases to be an active and free-standing organization.

- NVTC is cited specifically in the WMATA Compact, which can only be amended with identical actions by the Virginia, Maryland and D.C. legislative bodies and the U.S. Congress. Creating NVTC as a subsidiary of NVTA solely for the purposes of appointing the WMATA representatives would be problematic if conflicts with the Compact resulted.
- Unforeseen consequences may occur due to widespread technical amendments to the Virginia Code that would be required for this undertaking. For example, would Northern Virginia's local governments need to be excluded from the opportunities available to the rest of the state in the Transportation District Act? As competing interests become involved, amendments may become even more complex and create still further unintended consequences.

Funding

- NVTC is a transit organization and receives 75% of its administrative budget from state transit funds. Subsuming NVTC within NVTA (a non-transit organization) would result in loss of that state funding source and require local General Funds to be used. Some NVTA members would also have to begin to pay the costs of two transportation agencies (PRTC and NVTA) where today they only pay for one (PRTC). Accordingly, the proposal is another unfunded state mandate.

Conclusions

1. No evidence exists that the consolidation proposal achieves the stated goals.
2. NVTC is already results oriented, is a good steward of taxpayer dollars, has been recognized nationally as an outstanding public agency, consistently ensures sound investments in transit and has done so since 1964.
3. There is significant local opposition to the proposal because there is deep skepticism that consolidation would serve any constructive purpose. Consolidation has been previously proposed, evaluated, and rejected by the local governments and regional agencies that are directly affected because the disadvantages far outweighed any perceived advantages.
4. In considering previous proposals to do away with NVTC, some have expressed serious concerns that NVTC's carefully negotiated sharing agreement for transit funds will be overturned and the new organization will tilt the balance of funding toward more roads and less transit.
5. It took at least two years for the General Assembly to create NVTA alone. Consolidation of NVTC and NVTA, with repercussions for VRE and PRTC, would require even more evaluation and planning to accomplish. This, tied with the negotiation of acceptable terms for all parties needed to overcome complex funding, governance, and legal issues, would be costly and time consuming. It is a distraction when time, funding and other limited resources could be better spent addressing the individual agencies' missions and the region's critical transportation needs.
6. If, despite an absence of any factual basis for supporting consolidation of NVTA and NVTC, the General Assembly wishes to proceed, it would be less disruptive to absorb NVTA into NVTC than to attempt the opposite as the Governor has proposed. NVTC has staff, offices and funding and meets monthly. Given the legislative complexity of such a merger, the 2012 General Assembly could call for the requested consolidation to be completed in at least two stages, with a detailed study of alternatives and suggested legislation slated for completion in 2012 with enactment of the preferred alternative occurring in the 2013 General Assembly.

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HOUSE JOINT RESOLUTION NO. 49

Offered January 11, 2012

Prefiled January 10, 2012

Approving the Executive Reorganization Plan submitted by the Governor.

Patron—Gilbert

Referred to Committee on General Laws

WHEREAS, Article 2 (§ 2.2-127 et seq.) of Chapter 1 of Title 2.2, entitled Executive Reorganization, directs the Governor from time to time to examine the organization of all executive agencies and determine what changes therein are necessary to (i) promote better execution of the laws, the more effective management of the executive branch of state government and of its agencies and functions, and the expeditious administration of the public business; (ii) reduce expenditures and promote economy to the fullest extent consistent with the efficient operation of state government; (iii) increase the efficiency of the operations of state government to the fullest extent practicable; (iv) group, coordinate, and consolidate agencies and functions of state government, as nearly as may be, according to major purposes; (v) reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions thereof that are not necessary for the efficient conduct of the state government; and (vi) eliminate overlapping and duplication of effort; and

WHEREAS, Article 2 (§ 2.2-127 et seq.) of Chapter 1 of Title 2.2 requires the Governor to prepare a plan for reorganization and transmit the plan to each house of the General Assembly at least 45 days prior to the commencement of a regular or special session of the General Assembly; and

WHEREAS, on November 25, 2011, the Governor submitted his reorganization plan to the Clerks of the House of Delegates and the Senate of Virginia; and

WHEREAS, Article 2 (§ 2.2-127 et seq.) of Chapter 1 of Title 2.2 requires that, in order to become effective, the Governor's reorganization plan must be approved by the House of Delegates and the Senate of Virginia by resolution in whole or in part. Further, any portion of the reorganization plan may be deleted by either the Senate or the House of Delegates; and

WHEREAS, the Governor's reorganization plan in pertinent detail follows; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Governor's reorganization plan as contained in this resolution be approved; and, be it

RESOLVED FURTHER, That the Clerk of the House of Delegates transmit a copy of this resolution to the Governor in order that he may be apprised of the sense of the General Assembly in this matter.

GOVERNOR'S EXECUTIVE REORGANIZATION PLAN.**NOVEMBER 25, 2011.****ADMINISTRATION****1. Eliminate the Commonwealth Competition Council.**

The Commonwealth Competition Council was created in 1995 as independent advisory body within the executive branch with the goal of finding opportunities for privatization of state government functions. At the time, Virginia was on the cutting edge of privatization of government functions. Today, privatization is frequently discussed throughout government, and the Commonwealth Competition Council is often circumvented as vendors work directly with agencies and take advantage of the PPTA and PPEA processes. The Competition Council meets approximately once a year and, in recent years, has primarily monitored actions happening elsewhere in state government rather than taking the lead role on these efforts. The Commission on Government Reform and Restructuring recommended elimination of the Council in 2011. The Commonwealth Competition Council was created with a laudable goal of promoting privatization. In the years since, it has succeeded in making privatization a common theme in state government and has served its purpose. Elimination of the Council is now appropriate.

2. Eliminate the Interagency Dispute Resolution Council.

The Interagency Dispute Resolution Council should be eliminated, and the Department of Human Resource Management should be authorized to perform agency training seminars and educational programs on the use of dispute resolution proceedings.

The Interagency Dispute Resolution Council was created in 1992 to conduct training seminars, publish educational materials, and report on the use of dispute resolution. The Council is made up of state employees and citizens. Costs of staffing and administration of this board were estimated at almost \$3,000 for FY2011 despite being unfunded by the General Assembly and without offering travel reimbursements to members. Many seats remain unfilled and participation is low. While Alternative

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674 and the Department of Juvenile Justice.

675 **40. Eliminate the Board of Correctional Education.**

676 The Board of Correctional Education's primary function is to oversee the operations of the
677 Department of Correctional Education. With the Department merging into the Department of Corrections
678 and the Department of Juvenile Justice (see above), the Board is no longer necessary.

679 The authority that the Board of Correctional Education currently holds should be transferred to the
680 Board of Corrections and the Board of Juvenile Justice with the merger of the education functions.

681 **41. Eliminate the Virginia Juvenile Enterprise Committee.**

682 The Virginia Juvenile Enterprise Committee reviews work program proposals for juveniles committed
683 to the Department of Juvenile Justice. This authority is duplicative of authority granted to the
684 Department of Juvenile Justice. The Juvenile Enterprise Committee is redundant and unnecessary. The
685 Committee should be eliminated.

686 **42. Transfer the Functions of the Governor's Office of Substance Abuse Prevention to the
687 Virginia Department of Alcoholic Beverage Control.**

688 The responsibilities of the Governor's Office of Substance Abuse Prevention should be transferred to
689 the Department of Alcoholic Beverage Control, and the Governor's Office of Substance Abuse
690 Prevention should be eliminated.

691 The Code of Virginia states that it is "the responsibility of the Governor to administer the substance
692 abuse prevention program within the Commonwealth." The program was designed to be the link
693 between state and local law enforcement and substance abuse prevention efforts and was designed to
694 administer federal grant funds that are no longer available. Dedicated staff are required to manage this
695 program. It would be more appropriate to house it at an agency where the program can benefit from
696 expertise and collaboration with other programs. In recent years, the primary objective of the Governor's
697 Office of Substance Abuse Prevention has been on alcohol abuse prevention. As such, the Department of
698 Alcoholic Beverage Control is the appropriate agency to administer the Commonwealth's substance
699 abuse prevention program in conjunction with its other prevention programs.

700

701 **TRANSPORTATION**

702 **43. Eliminate the Board of Transportation Safety.**

703 The functions of the Board of Transportation Safety are already being performed by the Department
704 of Motor Vehicles (DMV). The Board of Transportation Safety should be eliminated.

705 The Board of Transportation Safety is comprised of 12 members appointed by the Governor and has
706 been established within the Virginia Department of Motor Vehicles. The Board may consider, study, and
707 report on: the identification of the unique safety needs of each particular mode of transportation; the
708 identification of the common elements of safe transportation operation, regardless of mode of
709 transportation; the adoption of proven safety practices and technology in use in one mode to other
710 modes of transportation; the identification of the common elements of accident situations; and the
711 allocation of grant funds made available to the Department. These functions are primarily performed by
712 DMV leadership and staff. An advisory board is not required. The Commission of Motor Vehicles can
713 pull together advisory groups as needed to address particular instances and can do so based on the
714 expertise required. This approach will allow DMV to better address transportation safety in the
715 Commonwealth and will save taxpayer dollars.

716 The Secretary of Transportation recommended the elimination of the Board in 2011.

717 **44. Consolidate the Northern Virginia Transportation Commission and the Northern Virginia
718 Transportation Authority.**

719 The Northern Virginia Transportation Commission (NVTC) would be consolidated with the Northern
720 Virginia Transportation Authority (NVTA) so that the NVTA would assume all powers and
721 responsibilities of the NVTC. The merger would create a singular, unified group to represent Northern
722 Virginia's localities on transportation issues.

723 The Northern Virginia Transportation Commission is a regional body comprised of 20
724 commissioners. Of the commissioners, 13 are selected from local government officials in Northern
725 Virginia, six are appointed by the General Assembly, and one represents the Secretary of Transportation.
726 The NVTC allocates transit funding provided by the state among the member jurisdictions and is
727 responsible for selecting Virginia's representation on the WMATA Board of Directors. The Northern
728 Virginia Transportation Authority is a 17-member regional transportation authority charged with
729 developing a regional transportation plan, including mass transit, and has the authority to administer
730 locally imposed taxes and fees to support issuance bonds for the construction of regional transportation
731 projects.

732 Under the consolidation, the powers and duties of the NVTC would be assumed by the NVTA,
733 except that the NVTC would remain as a subsidiary solely for the purposes of appointing Virginia's
734 representation to the WMATA Board of Directors. The consolidation will provide for more direct
735 funding of transit, consolidate duplicative organizations, and create one unified organization for

736 improving transportation in Northern Virginia.

737 The Secretary of Transportation recommended the merger in 2011.

738 **45. Eliminate the Board for Recovery and Towing Operators.**

739 The Board for Towing and Recovery Operations is a supervisory Board and functions should be
740 absorbed into the Virginia State Police (VSP) and Department of Motor Vehicles (DMV). This
741 re-organization will include a transfer of regulations, enforcement, background checks, state and local
742 lists of authorized towers and licensing of trucks and drivers.

743 This elimination was a recommendation of the Commission on Government Reform and
744 Restructuring in 2011.

745

746 **VETERANS AFFAIRS AND HOMELAND SECURITY**

747 **46. Transfer the Virginia War Memorial to the Department of Veterans Services.**

748 In the most recent annual audit, the Auditor of Public Accounts concluded that the Virginia War
749 Memorial is a state agency. The annual audit also concluded that the relationship of the War Memorial
750 to both the Commonwealth and the Virginia War Memorial Educational Foundation is poorly defined
751 and does not serve the best interest of either the War Memorial or the Commonwealth. Finally, the
752 annual audit noted that the Code of Virginia gives the War Memorial Board of Trustees certain specific
753 duties and responsibilities and clearly states that the War Memorial is a part of the Executive Branch of
754 government.

755 Section 2.2-2707 of the Code of Virginia requires that all accounts and records of the War Memorial
756 be established by the Auditor of Public Accounts "in a manner similar to other organizations." The
757 Auditor is also required to audit the accounts of the War Memorial annually. The General Assembly
758 does not provide for direct state appropriations for the support of the War Memorial; however, a
759 substantial amount of state support is provided by both the Departments of Veterans Services and
760 General Services. Therefore, the War Memorial is indirectly receiving substantial monetary support from
761 the Commonwealth. Finally, a 2010 informal opinion of the Attorney General concludes that the War
762 Memorial is an agency of the Commonwealth.

763 Placing the War Memorial in the Department of Veterans Services is advisable because, at present,
764 the War Memorial is an independent entity that is entirely governed by an independent policy Board of
765 Trustees. Realignment will result in clarification that the War Memorial is an agency of the
766 Commonwealth subject to the Governor's direction as a part of the executive branch of government.

767 The only change affecting the War Memorial is that its operation would be under the direct
768 supervision of the Commissioner of Veterans Services subject to the advice and recommendations of the
769 Board of Trustees.

770 This is a recommendation of the Virginia War Memorial Foundation Board of Trustees by vote taken
771 on September 16, 2011.

12101929D

HOUSE BILL NO. 601

Offered January 11, 2012

Prefiled January 10, 2012

A *BILL to amend and reenact § 15.2-4507 of the Code of Virginia, as it shall become effective, relating to Washington Metropolitan Area Transit Authority; board membership.*

Patron—LeMunyon

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That § 15.2-4507 of the Code of Virginia, as it shall become effective, is amended and reenacted as follows:

§ 15.2-4507. (Effective July 1, 2012) Members of transportation district commissions.

A. Any transportation district commission created shall consist of the number of members the component governments shall from time to time agree upon, or as may otherwise be provided by law. The governing body of each participating county and city shall appoint from among its members the number of commissioners to which the county or city is entitled; however, for those commissions with powers as set forth in subsection A of § 15.2-4515, the governing body of each participating county or city is not limited to appointing commissioners from among its members. In addition, the governing body may appoint from its number or otherwise, designated alternate members for those appointed to the commission who shall be able to exercise all of the powers and duties of a commission member when the regular member is absent from commission meetings. Each such appointee shall serve at the pleasure of the appointing body; however, no appointee to a commission with powers as set forth in subsection B of § 15.2-4515 may continue to serve when he is no longer a member of the appointing body. Each governing body shall inform the commission of its appointments to and removals from the commission by delivering to the commission a certified copy of the resolution making the appointment or causing the removal.

In the case of a transportation district, commonly known as the Potomac and Rappahannock Transportation Commission, which was established on or after July 1, 1986, and which includes more than one jurisdiction located within the Washington, D.C., metropolitan area, such commission shall also include two members of the House of Delegates and one member of the Senate from legislative districts located wholly or in part within the boundaries of the transportation district. The members of the House of Delegates shall be appointed by the Speaker of the House for terms coincident with their terms of office, and the member of the Senate shall be appointed by the Senate Committee on Rules for a term coincident with his term of office. The members of the General Assembly shall be eligible for reappointment for successive terms. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original appointments.

In the case of the Transportation District Commission of Hampton Roads, such commission shall consist of one citizen member appointed by the Governor from each county and city embraced by the Transportation District. The governing body of each such county or city may appoint either a member of its governing body or its county or city manager to serve as an ex officio member with voting privileges. Every such ex officio member shall be allowed to attend all meetings of the commission that other members may be required to attend. Vacancies shall be filled in the same manner as the original appointments.

The Chairman of the Commonwealth Transportation Board, or his designee, shall be a member of each commission, ex officio with voting privileges. The chairman of the Commonwealth Transportation Board may appoint an alternate member who may exercise all the powers and duties of the chairman of the Commonwealth Transportation Board when neither the chairman of the Commonwealth Transportation Board nor his designee is present at a commission meeting.

B. Any appointed member of a commission of a transportation district, commonly known as the Northern Virginia Transportation Commission, which was established prior to July 1, 1986, and which includes jurisdictions located within the Washington, D.C., metropolitan statistical area, ~~is~~ *and the Secretary of Transportation or his designee, is* authorized to serve as a member of the board of directors of the Washington Metropolitan Area Transit Authority (Chapter 627 of the Acts of Assembly of 1958 as amended) and while so serving the provisions of § 2.2-2800 shall not apply to such member. *In appointing Virginia members of the board of directors of the Washington Metropolitan Area Transit Authority (WMATA), the Northern Virginia Transportation Commission shall include the Secretary of Transportation or his designee as a principal member on the board of directors of the WMATA.*

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59 *In selecting from its membership those members to serve on the board of directors of the WMATA,*
60 *the Northern Virginia Transportation Commission shall comply with the following requirements:*

61 *1. A board member shall not have been an employee of WMATA within one year of appointment to*
62 *serve on the board of directors.*

63 *2. A board member shall have experience in at least one of the following: transit planning,*
64 *transportation planning, or land use planning; transit or transportation management or other public*
65 *sector management; engineering; finance; public safety; homeland security; human resources; the law;*
66 *or knowledge of the region's transportation issues derived from working on regional transportation issue*
67 *resolution.*

68 *3. A member shall be a regular patron of the services provided by WMATA.*

69 *4. Members shall serve a term of four years with a maximum of two consecutive terms. Such term or*
70 *terms must coincide with their term on the body that appointed them to the Northern Virginia*
71 *Transportation Commission. Any vacancy created if a board member cannot fulfill his term because his*
72 *term on the appointing body had ended shall be filled for the unexpired term in the same manner as the*
73 *member being replaced was appointed within 60 days of the vacancy. The initial appointments to a*
74 *four-year term will be as follows: the Secretary, or his designee, for a term of four years; the second*
75 *principal member for a term of three years; one alternate for a term of two years; and the remaining*
76 *alternate for a term of one year. Thereafter, members shall be appointed for terms of four years.*

77 *5. Members may be removed from the board of directors of the WMATA if they attend fewer than*
78 *three-fourths of the meetings in a calendar year; if they are conflicted due to employment at WMATA;*
79 *or if they are found to be in violation of the State and Local Government Conflict of Interests Act*
80 *(§ 2.2-3100 et seq.). If a member is removed during a term, the vacancy shall be filled pursuant to the*
81 *provisions of subdivision 4.*

82 *6. Each member of the Northern Virginia Transportation Commission appointed to the board of*
83 *directors of the WMATA shall file semiannual reports with the Secretary of Transportation's office*
84 *beginning July 1, 2012. The reports shall include (i) the dates of attendance at WMATA board meetings,*
85 *(ii) any reasons for not attending a specific meeting, and (iii) dates and attendance at other*
86 *WMATA-related public events.*

87 *Any entity that provides compensation to a WMATA board member for his service on the WMATA*
88 *board shall be required to submit on July 1 of each year to the Secretary of Transportation the amount*
89 *of that compensation. Such letter will remain on file with the Secretary's office and be available for*
90 *public review.*

11525 2825. Funding for the cost of expenses shall be provided by the Department of Behavioral Health and
11526 Developmental Services.

11527 F. The duties of the Council shall be:

11528 1. To recommend policies and goals to the Governor, the General Assembly, and the State Board of
11529 Behavioral Health and Developmental Services;

11530 2. To coordinate agency programs and activities, to prevent duplication of functions, and to combine all
11531 agency plans into a comprehensive interagency state plan for substance abuse services;

11532 3. To review and comment on annual state agency budget requests regarding substance abuse and on all
11533 applications for state or federal funds or services to be used in substance abuse programs;

11534 4. To define responsibilities among state agencies for various programs for persons with substance abuse and
11535 to encourage cooperation among agencies; and

11536 5. To make investigations, issue annual reports to the Governor and the General Assembly, and make
11537 recommendations relevant to substance abuse upon the request of the Governor.

11538 G. Staff assistance shall be provided to the Council by the Office of Substance Abuse Services of the
11539 Department of Behavioral Health and Developmental Services.

11540 § 4.1-103.02. *Additional powers; substance abuse prevention.*

11541 *It shall be the responsibility of the Board to administer a substance abuse prevention program within the*
11542 *Commonwealth and to (i) coordinate substance abuse prevention activities of agencies of the Commonwealth in*
11543 *such program, (ii) review substance abuse prevention program expenditures by agencies of the Commonwealth,*
11544 *and (iii) determine the direction and appropriateness of such expenditures. The Board shall cooperate with*
11545 *federal, state, and local agencies, private and public agencies, interested organizations, and individuals in order*
11546 *to prevent substance abuse within the Commonwealth. The Board shall report annually by December 1 of each*
11547 *year to the Governor and the General Assembly on the substance abuse prevention activities of the*
11548 *Commonwealth.*

11549 113. That § 2.2-118 of the Code of Virginia is repealed.*

11550 114. That § 46.2-224 of the Code of Virginia is repealed.*

11551 115. That §§ 15.2-4503.1, 15.2-4515, 15.2-4830, 46.2-753, 58.1-3 and 58.1-638 of the Code of Virginia are
11552 amended and reenacted as follows:

11553 § 15.2-4503.1. Northern Virginia Transportation District and Commission.

11554 A. There is hereby created the Northern Virginia Transportation District comprised of the Counties of
11555 Arlington, Fairfax, Loudoun, and the Cities of Alexandria, Falls Church, and Fairfax and such other county or city
11556 contiguous to the District that agrees to join the District.

11557 B. There is hereby established the Northern Virginia Transportation Commission (the Commission) as a
11558 transportation commission pursuant to this chapter. ~~The Commission shall consist of five nonlegislative citizen~~
11559 ~~members from Fairfax County, three nonlegislative citizen members from Arlington County, one nonlegislative~~
11560 ~~citizen member from the County of Loudoun, two nonlegislative citizen members from the City of Alexandria,~~
11561 ~~one nonlegislative member from the City of Falls Church, one nonlegislative citizen member from the City of~~
11562 ~~Fairfax, and the Chairman of the Commonwealth Transportation Board or his designee to serve ex officio with~~
11563 ~~voting privileges. If a county or city contiguous to the District agrees to join the District, such jurisdiction shall~~
11564 ~~appoint one nonlegislative citizen member to the Commission. Members from the respective counties and cities~~
11565 ~~shall be appointed from their governing bodies. The Commission shall also include four members of the House of~~
11566 ~~Delegates appointed by the Speaker of the House of Delegates for terms coincident with their terms of office and~~
11567 ~~two members of the Senate appointed by the Senate Committee on Rules for terms coincident with their terms of~~
11568 ~~office. Members may be reappointed for successive terms. All members shall be citizens of the Commonwealth.~~
11569 ~~Except for the Chairman of the Commonwealth Transportation Board or his designee, all members of the~~
11570 ~~Commission shall be residents of the localities comprising the Transportation District. Vacancies occurring other~~
11571 ~~than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as~~
11572 ~~the original appointments.~~

11573 *The Commission shall consist of 17 members, who are also members of the Northern Virginia Transportation*
11574 *Authority, as follows: the chief elected officer of the governing body of each county and city embraced by the*
11575 *Authority or, in the discretion of the chief elected officer, his designee, who shall be a current elected officer of*
11576 *such governing body; two members of the House of Delegates who reside in different counties or cities embraced*
11577 *by the Authority, appointed by the Speaker of the House, to the extent practicable, from the membership of the*

11578 *House Committee on Appropriations, the House Committee on Finance, or the House Committee on*
 11579 *Transportation; one member of the Senate who resides in a county or city embraced by the Authority, appointed*
 11580 *by the Senate Committee on Rules, to the extent practicable, from the membership of the Senate Committee on*
 11581 *Finance and the Senate Committee on Transportation; and two citizens who reside in counties and cities*
 11582 *embraced by the Authority, appointed by the Governor, provided that (i) one gubernatorial appointment includes*
 11583 *a member of the Commonwealth Transportation Board who resides in a county or city embraced by the Authority,*
 11584 *(ii) the remaining gubernatorial appointment shall be a person who has significant experience in transportation*
 11585 *planning, finance, engineering, construction, or management and shall be a resident of a county or city embraced*
 11586 *by the Authority, and (iii) the citizen members shall not be a resident of the same county or city.*

11587 *Legislative members shall serve terms coincident with their terms of office. The gubernatorial appointee who*
 11588 *is not a member of the Commonwealth Transportation Board shall serve for a term of four years. Vacancies*
 11589 *occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the*
 11590 *same manner as the original appointments.*

11591 *C. Beginning July 1, 2013, the powers of the Commission shall be limited to the making of appointments to*
 11592 *the Washington Metropolitan Area Transit Authority. All assets and liabilities of the Commission shall be*
 11593 *subsumed by the Northern Virginia Transportation Authority.*

11594 *D. Beginning July 1, 2013, in the Northern Virginia Transportation District, comprised of the Counties of*
 11595 *Arlington, Fairfax, and Loudoun and the Cities of Alexandria, Falls Church, and Fairfax, and such other counties*
 11596 *or cities contiguous to the District that agrees to join the District, all powers, duties, and responsibilities granted*
 11597 *under the Transportation District Act of 1964 shall be assumed by the Northern Virginia Transportation*
 11598 *Authority.*

11599 § 15.2-4515. Powers and functions generally.

11600 A. Any other provision of law to the contrary notwithstanding, a commission shall, except as provided in
 11601 subsection B herein, have the following powers and functions:

11602 1. The commission shall prepare the transportation plan for the transportation district and shall from time to
 11603 time revise and amend the plan in accordance with the planning process and procedures specified in Article 7 (§§
 11604 15.2-4527 and 15.2-4528) of this chapter.

11605 2. The commission may, when a transportation plan is adopted according to Article 7, construct or acquire, by
 11606 purchase or lease, the transportation facilities specified in such transportation plan.

11607 3. The commission may enter into agreements or leases with private companies for the operation of its
 11608 facilities, or may operate such facilities itself.

11609 4. The commission may enter into contracts or agreements with the counties and cities within the
 11610 transportation district, or with counties and cities which adjoin the transportation district and are within the same
 11611 planning district, or with other commissions of adjoining transportation districts, to provide, or cause to be
 11612 provided, transit facilities and service to such counties and cities, or to provide transit facilities and other modes
 11613 of transportation between adjoining transportation districts. Such contracts or agreements, together with any
 11614 agreements or leases for the operation of such facilities, may be utilized by the transportation district to finance
 11615 the construction and operation of transportation facilities and such contracts, agreements or leases shall inure to
 11616 the benefit of any creditor of the transportation district.

11617 Notwithstanding the above, however, except in any transportation district containing any or all of the
 11618 Counties of Hanover, Henrico, and Chesterfield or the City of Richmond, being so delegated by the respective
 11619 local governments, the commission shall not have the power to regulate services provided by taxicabs, either
 11620 within municipalities or across municipal boundaries, which regulation is expressly reserved to the municipalities
 11621 within which taxicabs operate. In any transportation district containing any or all of the Counties of Hanover,
 11622 Henrico, and Chesterfield or the City of Richmond, the commission may upon proper authority granted by the
 11623 respective component governments, regulate services provided by taxicabs, either within localities or across
 11624 county or city boundaries.

11625 B. When the transportation district is located within a metropolitan area which includes all or a portion of a
 11626 state or states contiguous to Virginia, the commission:

11627 1. Shall not prepare a transportation plan nor construct or operate transit facilities, but shall collaborate and
 11628 cooperate in the manner specified in Article 7 (§§ 15.2-4527 and 15.2-4528) with an agency in preparing,
 11629 revising, and amending a transportation plan for such metropolitan area.

11630 2. Shall, according to Article 7 and in cooperation with the governing bodies of the component governments
11631 embraced within the transportation district, formulate the tentative policy and decisions of the transportation
11632 district with respect to the planning, design, location, construction, operation and financing of transportation
11633 facilities.

11634 3. May, when a transportation plan applicable to such a transportation district is adopted, enter into contracts
11635 or agreements with an agency to contribute to the capital required for the construction and/or acquisition of
11636 transportation facilities and for meeting expenses and obligations in the operations of such facilities.

11637 4. May, when a transportation plan applicable to such transportation district is adopted, enter into contracts or
11638 agreements with the counties and cities within the transportation district to provide or cause to be provided
11639 transportation facilities and service to such counties and cities.

11640 5. Notwithstanding any other provision herein to the contrary:

11641 a. May acquire land or any interest therein by purchase, lease, gift, condemnation or otherwise and provide
11642 transportation facilities thereon for use in connection with any transportation service;

11643 b. May acquire land or any interest therein by purchase, lease, gift, condemnation or otherwise in advance of
11644 need for sale or contribution to an agency, for use by that agency in connection with an adopted mass transit plan;

11645 c. May, in accordance with the terms of any grant from or loan by the United States of America or the
11646 Commonwealth, or any agency or instrumentality thereof, or when necessary to preserve essential transportation
11647 service, acquire transit facilities or any carrier, which is subject to the jurisdiction of the Washington Metropolitan
11648 Area Transit Commission, by acquisition of the capital stock or transit facilities and other assets of any such
11649 carrier and shall provide for the performance of transportation by any such carrier or with such transit facilities by
11650 contract or lease. However, the contract or lease shall be for a term of no more than one year, renewable for
11651 additional terms of similar duration, and, in order to assure acceptable fare levels, may provide for financial
11652 assistance by purchase of service, operating subsidies or otherwise. No such service will be rendered which will
11653 adversely affect transit service rendered by the transit facilities owned or controlled by the agency or any existing
11654 private transit or transportation company. When notified by the agency that it is authorized to perform or cause to
11655 be performed transportation services with motor vehicle facilities, the commission, upon request by the agency,
11656 shall transfer such capital stock or transit facilities to the agency at a price to be agreed upon; and

11657 d. May prepare a plan for mass transportation services with cities, counties, agencies, authorities, or
11658 commissions and may further contract with transportation companies, cities, counties, commissions, authorities,
11659 agencies, and departments of the Commonwealth and appropriate agencies of the federal government and/or
11660 governments contiguous to Virginia to provide necessary facilities, equipment, operations and maintenance,
11661 access, and insurance pursuant to such plan.

11662 C. The provisions of subdivisions 1 through 4 and provisions b and c of subdivision 5 of subsection B shall
11663 not apply (i) to any transportation district which may be established on or after July 1, 1986, and which includes
11664 any one or more jurisdictions which are located within a metropolitan area, but which were not, on January 1,
11665 1986, members of any other transportation district or (ii) to any jurisdiction which, after July 1, 1989, joins a
11666 transportation district which was established on or before January 1, 1986. The provisions of this subsection shall
11667 only apply to any transportation district or jurisdiction which is contiguous to the Northern Virginia
11668 Transportation District. Any such district or jurisdiction shall be subject to the provisions of subsection A hereof,
11669 and further may exercise the powers granted by subdivision B 5 a to acquire land or any interest therein by
11670 purchase, lease, gift, condemnation or otherwise and provide transportation facilities thereon for use in connection
11671 with any transportation service.

11672 D. Until such time as a commission enters into contracts or agreements with its component governments
11673 under the provisions of subdivisions A 4 and B 4 and is receiving revenues thereunder, adequate to meet the
11674 administrative expenses of the commission after paying or providing for the payment of the obligations arising
11675 under said subdivisions, the administrative expenses of the commission shall be borne by the component
11676 governments in the manner herein set forth. The commission annually shall submit to the governing bodies of the
11677 component counties and cities a budget of its administrative requirements for the next year. Except for the
11678 Northern Virginia Transportation Commission, the administrative expenses of the commission, to the extent funds
11679 for such expenses are not provided from other sources, shall be allocated among the component governments on
11680 the basis of population as reflected by the latest population statistics of the Bureau of the Census; however, upon
11681 the request of any component government, the commission shall make the allocation upon estimates of population
11682 prepared in a manner approved by the commission and by the governing body of the component government

11683 making such request. ~~For the Northern Virginia Transportation Commission, the administrative expenses of the~~
 11684 ~~Commission, to the extent funds for such expenses are not provided from other sources, shall be allocated among~~
 11685 ~~the component governments on the basis of the relative shares of state and federal transit aids allocated by the~~
 11686 ~~Commission among its component governments. Such budget shall be limited solely to the administrative~~
 11687 ~~expenses of the Commission and shall not include any funds for construction or acquisition of transportation~~
 11688 ~~facilities and/or the performing of transportation service. In addition, the Commission annually shall submit to the~~
 11689 ~~governing bodies of the component counties and cities a budget of its other expenses and obligations for the~~
 11690 ~~ensuing year. Such expenses and obligations shall be borne by the component counties and cities in accordance~~
 11691 ~~with prior arrangements made therefor.~~

11692 E. When a transportation plan has been adopted under § 15.2-4528 A 4, the commission shall determine the
 11693 equitable allocation among the component governments of the costs incurred by the district in providing the
 11694 transportation facilities proposed in the transportation plan and any expenses and obligations from the operation
 11695 thereof to be borne by each county and city. In making such determinations, the commission shall consider the
 11696 cost of the facilities located within each county and city, the population of each county and city, the benefits to be
 11697 derived by each county and city from the proposed transportation service and all other factors which the
 11698 commission determines to be relevant. Such determination, however, shall not create a commitment by the
 11699 counties and cities and such commitments shall be created only under the contracts or agreements specified in
 11700 subdivisions A 4 and B 4.

11701 § 15.2-4830. Authority created.

11702 There is hereby created a political subdivision of the Commonwealth known as the Northern Virginia
 11703 Transportation Authority, hereinafter known as "the Authority."

11704 In addition to such other powers vested in the Authority by this chapter, the Authority shall have the
 11705 following powers and functions:

11706 1. The Authority shall prepare a regional transportation plan for Planning District Eight, to include, but not
 11707 necessarily be limited to, transportation improvements of regional significance, and those improvements
 11708 necessary or incidental thereto, and shall from time to time revise and amend the plan. The provisions of Article 7
 11709 (§ 15.2-4527 et seq.) of Chapter 45 of this title shall apply, mutatis mutandis, to preparation of such transportation
 11710 plan.

11711 2. The Authority may, when a transportation plan is adopted according to subdivision 1, construct or acquire,
 11712 by purchase, lease, contract, or otherwise, the transportation facilities specified in such transportation plan.

11713 3. The Authority may enter into agreements or leases with public or private entities for the operation of its
 11714 facilities, or may operate such facilities itself.

11715 4. The Authority may enter into contracts or agreements with the counties and cities embraced by the
 11716 Authority, with other transportation commissions of transportation districts adjoining any county or city embraced
 11717 by the Authority, with any transportation authority, or with any state, local, private or federal entity to provide, or
 11718 cause to be provided, transportation facilities and services to the area embraced by the Authority. Such contracts
 11719 or agreements, together with any agreements or leases for the operation of such facilities, may be used by the
 11720 Authority to finance the construction and operation of transportation facilities and such contracts, agreements or
 11721 leases shall inure to the benefit of any creditor of the Authority.

11722 Notwithstanding the above, however, the Authority shall not have the power to regulate services provided by
 11723 taxicabs, either within municipalities or across municipal boundaries, which regulation is expressly reserved to
 11724 the municipalities within which taxicabs operate.

11725 5. Notwithstanding any other provision of law to the contrary the Authority may:

11726 a. Acquire land or any interest therein by purchase, lease, or gift and provide transportation facilities thereon
 11727 for use in connection with any transportation service;

11728 b. Acquire land or any interest therein by purchase, lease, or gift in advance of the need for sale or
 11729 contribution to an agency, for use by that agency in connection with an adopted transportation plan;

11730 c. Prepare a plan for mass transportation services with persons, cities, counties, agencies, authorities, or
 11731 transportation commissions and may further contract with any such person or other entity to provide necessary
 11732 facilities, equipment, operations and maintenance, access, and insurance pursuant to such plan.

11733 6. *The Authority may exercise all powers previously exercised by the Northern Virginia Transportation*
 11734 *Commission under Chapter 45 (§ 15.2-4500 et seq.) of Title 15.2 prior to July 1, 2013, except for the making of*
 11735 *appointments to the Washington Metropolitan Area Transit Authority which appointments shall continue to be*

11736 *made by the Commission. However, the exercise of any powers by the Authority related to the Washington*
 11737 *Metropolitan Area Transit Authority, other than appointments to the Washington Metropolitan Area Transit*
 11738 *Authority, shall be made by a five member subcommittee of the Northern Virginia Transportation Authority. The*
 11739 *subcommittee shall be appointed by the Authority from its membership and shall consist of one member from each*
 11740 *of the following localities: the City of Alexandria, Arlington County, the City of Fairfax, Fairfax County, and the*
 11741 *City of Falls Church.*

11742 § 46.2-753. Additional license fees in certain localities.

11743 Notwithstanding any other provision of law, the governing bodies of Alexandria, Arlington, Fairfax County,
 11744 Fairfax City, and Falls Church are authorized to charge annual license fees, in addition to those specified in §
 11745 46.2-752, on passenger cars not used for the transportation of passengers for compensation. The additional fee
 11746 shall be no more than five dollars. The total local license fee shall be no more than twenty-five dollars on any
 11747 vehicle and this license fee shall not be imposed on any motor vehicle exempted under § 46.2-739.

11748 The governing bodies are also authorized to charge additional annual license fees on the motor vehicles,
 11749 trailers, and semitrailers as specified in § 46.2-697 in an amount of no more than five dollars for each such
 11750 vehicle. This authorization shall not increase the maximum chargeable by more than five dollars or affect any
 11751 existing exemption.

11752 Any funds acquired in excess of those allowed by § 46.2-752, shall be allocated to the Northern Virginia
 11753 Transportation Commission to be a credit to that jurisdiction making the payment for its share of any operating
 11754 deficit assigned to it by the Washington Metropolitan Area Transit Authority. *However, once functional control*
 11755 *over the Washington Metropolitan Area Transit Authority is transferred to the Northern Virginia Transportation*
 11756 *Authority, such funds shall be allocated to the Northern Virginia Transportation Authority.*

11757 § 58.1-3. Secrecy of information; penalties.

11758 A. Except in accordance with a proper judicial order or as otherwise provided by law, the Tax Commissioner
 11759 or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or revenue officer or
 11760 employee, or any person to whom tax information is divulged pursuant to § 58.1-512 or 58.1-2712.2, or any
 11761 former officer or employee of any of the aforementioned offices shall not divulge any information acquired by
 11762 him in the performance of his duties with respect to the transactions, property, including personal property,
 11763 income or business of any person, firm or corporation. Such prohibition specifically includes any copy of a
 11764 federal return or federal return information required by Virginia law to be attached to or included in the Virginia
 11765 return. This prohibition shall apply to any reports, returns, financial documents or other information filed with the
 11766 Attorney General pursuant to the provisions of Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2. Any
 11767 person violating the provisions of this section shall be guilty of a Class 2 misdemeanor. The provisions of this
 11768 subsection shall not be applicable, however, to:

- 11769 1. Matters required by law to be entered on any public assessment roll or book;
- 11770 2. Acts performed or words spoken or published in the line of duty under the law;
- 11771 3. Inquiries and investigations to obtain information as to the process of real estate assessments by a duly
 11772 constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study,
 11773 provided that any such information obtained shall be privileged;
- 11774 4. The sales price, date of construction, physical dimensions or characteristics of real property, or any
 11775 information required for building permits;
- 11776 5. Copies of or information contained in an estate's probate tax return, filed with the clerk of court pursuant to
 11777 § 58.1-1714, when requested by a beneficiary of the estate or an heir at law of the decedent;
- 11778 6. Information regarding nonprofit entities exempt from sales and use tax under § 58.1-609.11, when
 11779 requested by the General Assembly or any duly constituted committee of the General Assembly.

11780 B. Nothing contained in this section shall be construed to prohibit the publication of statistics so classified as
 11781 to prevent the identification of particular reports or returns and the items thereof or the publication of delinquent
 11782 lists showing the names of taxpayers who are currently delinquent, together with any relevant information which
 11783 in the opinion of the Department may assist in the collection of such delinquent taxes. This section shall not be
 11784 construed to prohibit a local tax official from disclosing whether a person, firm or corporation is licensed to do
 11785 business in that locality and divulging, upon written request, the name and address of any person, firm or
 11786 corporation transacting business under a fictitious name. Additionally, notwithstanding any other provision of
 11787 law, the commissioner of revenue is authorized to provide, upon written request stating the reason for such

11788 request, the Tax Commissioner with information obtained from local tax returns and other information pertaining
11789 to the income, sales and property of any person, firm or corporation licensed to do business in that locality.

11790 C. Notwithstanding the provisions of subsection A or B or any other provision of this title, the Tax
11791 Commissioner is authorized to: (i) divulge tax information to any commissioner of the revenue, director of
11792 finance or other similar collector of county, city or town taxes who, for the performance of his official duties,
11793 requests the same in writing setting forth the reasons for such request; (ii) provide to the Commissioner of the
11794 Department of Social Services, upon written request, information on the amount of income, filing status, number
11795 and type of dependents, and whether a federal earned income tax credit has been claimed as reported by persons
11796 on their state income tax returns who have applied for public assistance or social services benefits as defined in §
11797 63.2-100; (iii) provide to the chief executive officer of the designated student loan guarantor for the
11798 Commonwealth of Virginia, upon written request, the names and home addresses of those persons identified by
11799 the designated guarantor as having delinquent loans guaranteed by the designated guarantor; (iv) provide current
11800 address information upon request to state agencies and institutions for their confidential use in facilitating the
11801 collection of accounts receivable, and to the clerk of a circuit or district court for their confidential use in
11802 facilitating the collection of fines, penalties and costs imposed in a proceeding in that court; (v) provide to the
11803 Commissioner of the Virginia Employment Commission, after entering into a written agreement, such tax
11804 information as may be necessary to facilitate the collection of unemployment taxes and overpaid benefits; (vi)
11805 provide to the Alcoholic Beverage Control Board, upon entering into a written agreement, such tax information as
11806 may be necessary to facilitate the collection of state and local taxes and the administration of the alcoholic
11807 beverage control laws; (vii) provide to the Director of the State Lottery Department such tax information as may
11808 be necessary to identify those lottery ticket retailers who owe delinquent taxes; (viii) provide to the Department of
11809 the Treasury for its confidential use such tax information as may be necessary to facilitate the location of owners
11810 and holders of unclaimed property, as defined in § 55-210.2; (ix) provide to the State Corporation Commission,
11811 upon entering into a written agreement, such tax information as may be necessary to facilitate the collection of
11812 taxes and fees administered by the Commission; (x) provide to the Executive Director of the Potomac and
11813 Rappahannock Transportation Commission for his confidential use such tax information as may be necessary to
11814 facilitate the collection of the motor vehicle fuel sales tax; (xi) provide to the Commissioner of the Department of
11815 Agriculture and Consumer Services such tax information as may be necessary to identify those applicants for
11816 registration as a supplier of charitable gaming supplies who have not filed required returns or who owe delinquent
11817 taxes; (xii) provide to the Department of Housing and Community Development for its confidential use such tax
11818 information as may be necessary to facilitate the administration of the remaining effective provisions of the
11819 Enterprise Zone Act (§ 59.1-270 et seq.), and the Enterprise Zone Grant Program (§ 59.1-538 et seq.); (xiii)
11820 provide current name and address information to private collectors entering into a written agreement with the Tax
11821 Commissioner, for their confidential use when acting on behalf of the Commonwealth or any of its political
11822 subdivisions; however, the Tax Commissioner is not authorized to provide such information to a private collector
11823 who has used or disseminated in an unauthorized or prohibited manner any such information previously provided
11824 to such collector; (xiv) provide current name and address information as to the identity of the wholesale or retail
11825 dealer that affixed a tax stamp to a package of cigarettes to any person who manufactures or sells at retail or
11826 wholesale cigarettes and who may bring an action for injunction or other equitable relief for violation of Chapter
11827 10.1, Enforcement of Illegal Sale or Distribution of Cigarettes Act; (xv) provide to the Commissioner of Labor
11828 and Industry, upon entering into a written agreement, such tax information as may be necessary to facilitate the
11829 collection of unpaid wages under § 40.1-29; (xvi) provide to the Director of the Department of Human Resource
11830 Management, upon entering into a written agreement, such tax information as may be necessary to identify
11831 persons receiving workers' compensation indemnity benefits who have failed to report earnings as required by §
11832 65.2-712; (xvii) provide to any commissioner of the revenue, director of finance, or any other officer of any
11833 county, city, or town performing any or all of the duties of a commissioner of the revenue and to any dealer
11834 registered for the collection of the Communications Sales and Use Tax, a list of the names, business addresses,
11835 and dates of registration of all dealers registered for such tax; and (xviii) provide to the Executive Director of the
11836 Northern Virginia Transportation Commission, *or to the chief executive officer of the Northern Virginia*
11837 *Transportation Authority, as appropriate*, for his confidential use such tax information as may be necessary to
11838 facilitate the collection of the motor vehicle fuel sales tax. The Tax Commissioner is further authorized to enter
11839 into written agreements with duly constituted tax officials of other states and of the United States for the
11840 inspection of tax returns, the making of audits, and the exchange of information relating to any tax administered

11841 by the Department of Taxation. Any person to whom tax information is divulged pursuant to this section shall be
11842 subject to the prohibitions and penalties prescribed herein as though he were a tax official.

11843 D. Notwithstanding the provisions of subsection A or B or any other provision of this title, the commissioner
11844 of revenue or other assessing official is authorized to (i) provide, upon written request stating the reason for such
11845 request, the chief executive officer of any county or city with information furnished to the commissioner of
11846 revenue by the Tax Commissioner relating to the name and address of any dealer located within the county or city
11847 who paid sales and use tax, for the purpose of verifying the local sales and use tax revenues payable to the county
11848 or city; (ii) provide to the Department of Professional and Occupational Regulation for its confidential use the
11849 name, address, and amount of gross receipts of any person, firm or entity subject to a criminal investigation of an
11850 unlawful practice of a profession or occupation administered by the Department of Professional and Occupational
11851 Regulation, only after the Department of Professional and Occupational Regulation exhausts all other means of
11852 obtaining such information; and (iii) provide to any representative of a condominium unit owners' association,
11853 property owners' association or real estate cooperative association, or to the owner of property governed by any
11854 such association, the names and addresses of parties having a security interest in real property governed by any
11855 such association; however, such information shall be released only upon written request stating the reason for
11856 such request, which reason shall be limited to proposing or opposing changes to the governing documents of the
11857 association, and any information received by any person under this subsection shall be used only for the reason
11858 stated in the written request. The treasurer or other local assessing official may require any person requesting
11859 information pursuant to clause (iii) of this subsection to pay the reasonable cost of providing such information.
11860 Any person to whom tax information is divulged pursuant to this subsection shall be subject to the prohibitions
11861 and penalties prescribed herein as though he were a tax official.

11862 Notwithstanding the provisions of subsection A or B or any other provisions of this title, the treasurer or other
11863 collector of taxes for a county, city or town is authorized to provide information relating to any motor vehicle,
11864 trailer or semitrailer obtained by such treasurer or collector in the course of performing his duties to the
11865 commissioner of the revenue or other assessing official for such jurisdiction for use by such commissioner or
11866 other official in performing assessments.

11867 This section shall not be construed to prohibit a local tax official from imprinting or displaying on a motor
11868 vehicle local license decal the year, make, and model and any other legal identification information about the
11869 particular motor vehicle for which that local license decal is assigned.

11870 E. Notwithstanding any other provisions of law, state agencies and any other administrative or regulatory unit
11871 of state government shall divulge to the Tax Commissioner or his authorized agent, upon written request, the
11872 name, address, and social security number of a taxpayer, necessary for the performance of the Commissioner's
11873 official duties regarding the administration and enforcement of laws within the jurisdiction of the Department of
11874 Taxation. The receipt of information by the Tax Commissioner or his agent which may be deemed taxpayer
11875 information shall not relieve the Commissioner of the obligations under this section.

11876 F. Additionally, it shall be unlawful for any person to disseminate, publish, or cause to be published any
11877 confidential tax document which he knows or has reason to know is a confidential tax document. A confidential
11878 tax document is any correspondence, document, or tax return that is prohibited from being divulged by subsection
11879 A, B, C, or D of this section and includes any document containing information on the transactions, property,
11880 income, or business of any person, firm, or corporation that is required to be filed with any state official by §
11881 58.1-512. This prohibition shall not apply if such confidential tax document has been divulged or disseminated
11882 pursuant to a provision of law authorizing disclosure. Any person violating the provisions of this subsection shall
11883 be guilty of a Class 2 misdemeanor.

11884 § 58.1-638. Disposition of state sales and use tax revenue; localities' share; Game Protection Fund.

11885 A. The Comptroller shall designate a specific revenue code number for all the state sales and use tax revenue
11886 collected under the preceding sections of this chapter.

11887 1. The sales and use tax revenue generated by the one-half percent sales and use tax increase enacted by the
11888 1986 Special Session of the General Assembly shall be paid, in the manner hereinafter provided in this section, to
11889 the Transportation Trust Fund as defined in § 33.1-23.03:1. Of the funds paid to the Transportation Trust Fund, an
11890 aggregate of 4.2 percent shall be set aside as the Commonwealth Port Fund as provided in this section; an
11891 aggregate of 2.4 percent shall be set aside as the Commonwealth Airport Fund as provided in this section; and an
11892 aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7 percent in fiscal year 1999-2000 and thereafter shall
11893 be set aside as the Commonwealth Mass Transit Fund as provided in this section. The Fund's share of such net

11894 revenue shall be computed as an estimate of the net revenue to be received into the state treasury each month, and
11895 such estimated payment shall be adjusted for the actual net revenue received in the preceding month. All
11896 payments shall be made to the Fund on the last day of each month.

11897 2. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part
11898 of the Transportation Trust Fund and which shall be known as the Commonwealth Port Fund.

11899 a. The Commonwealth Port Fund shall be established on the books of the Comptroller and the funds
11900 remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund.
11901 Interest earned on such funds shall remain in the Fund and be credited to it. Funds may be paid to any authority,
11902 locality or commission for the purposes hereinafter specified.

11903 b. The amounts allocated pursuant to this section shall be allocated by the Commonwealth Transportation
11904 Board to the Board of Commissioners of the Virginia Port Authority to be used to support port capital needs and
11905 the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth.

11906 c. Commonwealth Port Fund revenue shall be allocated by the Board of Commissioners to the Virginia Port
11907 Authority in order to foster and stimulate the flow of maritime commerce through the ports of Virginia, including
11908 but not limited to the ports of Richmond, Hopewell and Alexandria.

11909 3. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be part
11910 of the Transportation Trust Fund and which shall be known as the Commonwealth Airport Fund. The
11911 Commonwealth Airport Fund shall be established on the books of the Comptroller and any funds remaining in
11912 such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest
11913 earned on the funds shall be credited to the Fund. The funds so allocated shall be allocated by the Commonwealth
11914 Transportation Board to the Virginia Aviation Board. The funds shall be allocated by the Virginia Aviation Board
11915 to any Virginia airport which is owned by the Commonwealth, a governmental subdivision thereof, or a private
11916 entity to which the public has access for the purposes enumerated in § 5.1-2.16, or is owned or leased by the
11917 Metropolitan Washington Airports Authority (MWAA), as follows:

11918 Any new funds in excess of \$12.1 million which are available for allocation by the Virginia Aviation Board
11919 from the Commonwealth Transportation Fund, shall be allocated as follows: 60 percent to MWAA, up to a
11920 maximum annual amount of \$2 million, and 40 percent to air carrier airports as provided in subdivision A 3 a.
11921 Except for adjustments due to changes in enplaned passengers, no air carrier airport sponsor, excluding MWAA,
11922 shall receive less funds identified under subdivision A 3 a than it received in fiscal year 1994-1995.

11923 Of the remaining amount:

11924 a. Forty percent of the funds shall be allocated to air carrier airports, except airports owned or leased by
11925 MWAA, based upon the percentage of enplanements for each airport to total enplanements at all air carrier
11926 airports, except airports owned or leased by MWAA. No air carrier airport sponsor, however, shall receive less
11927 than \$50,000 nor more than \$2 million per year from this provision.

11928 b. Forty percent of the funds shall be allocated by the Aviation Board for air carrier and reliever airports on a
11929 discretionary basis, except airports owned or leased by MWAA.

11930 c. Twenty percent of the funds shall be allocated by the Aviation Board for general aviation airports on a
11931 discretionary basis.

11932 4. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part
11933 of the Transportation Trust Fund and which shall be known as the Commonwealth Mass Transit Fund.

11934 a. The Commonwealth Mass Transit Fund shall be established on the books of the Comptroller and any funds
11935 remaining in such Fund at the end of the biennium shall not revert to the general fund but shall remain in the
11936 Fund. Interest earned on such funds shall be credited to the Fund. Funds may be paid to any local governing body,
11937 transportation district commission, or public service corporation for the purposes hereinafter specified.

11938 b. The amounts allocated pursuant to this section shall be used to support the public transportation
11939 administrative costs and the costs borne by the locality for the purchase of fuels, lubricants, tires and maintenance
11940 parts and supplies for public transportation at a state share of 80 percent in 2002 and 95 percent in 2003 and
11941 succeeding years. These amounts may be used to support up to 95 percent of the local or nonfederal share of
11942 capital project costs for public transportation and ridesharing equipment, facilities, and associated costs. Capital
11943 costs may include debt service payments on local or agency transit bonds. The term "borne by the locality" means
11944 the local share eligible for state assistance consisting of costs in excess of the sum of fares and other operating
11945 revenues plus federal assistance received by the locality.

11946 c. Commonwealth Mass Transit Fund revenue shall be allocated by the Commonwealth Transportation Board
11947 as follows:

11948 (1) Funds for special programs, which shall include ridesharing, experimental transit, and technical assistance,
11949 shall not exceed 1.5 percent of the Fund.

11950 (2) The Board may allocate these funds to any locality or planning district commission to finance up to 80
11951 percent of the local share of all costs associated with the development, implementation, and continuation of
11952 ridesharing programs.

11953 (3) Funds allocated for experimental transit projects may be paid to any local governing body, transportation
11954 district commission, or public corporation or may be used directly by the Department of Rail and Public
11955 Transportation for the following purposes:

11956 (a) To finance up to 95 percent of the capital costs related to the development, implementation and promotion
11957 of experimental public transportation and ridesharing projects approved by the Board.

11958 (b) To finance up to 95 percent of the operating costs of experimental mass transportation and ridesharing
11959 projects approved by the Board for a period of time not to exceed 12 months.

11960 (c) To finance up to 95 percent of the cost of the development and implementation of any other project
11961 designated by the Board where the purpose of such project is to enhance the provision and use of public
11962 transportation services.

11963 d. Funds allocated for public transportation promotion and operation studies may be paid to any local
11964 governing body, planning district commission, transportation district commission, or public transit corporation, or
11965 may be used directly by the Department of Rail and Public Transportation for the following purposes and aid of
11966 public transportation services:

11967 (1) At the approval of the Board to finance a program administered by the Department of Rail and Public
11968 Transportation designed to promote the use of public transportation and ridesharing throughout Virginia.

11969 (2) To finance up to 50 percent of the local share of public transportation operations planning and technical
11970 study projects approved by the Board.

11971 e. At least 73.5 percent of the Fund shall be distributed to each transit property in the same proportion as its
11972 operating expenses bear to the total statewide operating expenses and shall be spent for the purposes specified in
11973 subdivision 4 b.

11974 f. The remaining 25 percent shall be distributed for capital purposes on the basis of 95 percent of the
11975 nonfederal share for federal projects and 95 percent of the total costs for nonfederal projects. In the event that total
11976 capital funds available under this subdivision are insufficient to fund the complete list of eligible projects, the
11977 funds shall be distributed to each transit property in the same proportion that such capital expenditure bears to the
11978 statewide total of capital projects. Prior to the annual adoption of the Six-Year Improvement Program, the
11979 Commonwealth Transportation Board may allocate up to 20 percent of the funds in the Commonwealth Mass
11980 Transit Fund designated for capital purposes to transit operating assistance if operating funds for the next fiscal
11981 year are estimated to be less than the current fiscal year's allocation, to attempt to maintain transit operations at
11982 approximately the same level as the previous fiscal year.

11983 g. There is hereby created in the Department of the Treasury a special nonreverting fund known as the
11984 Commonwealth Transit Capital Fund. The Commonwealth Transit Capital Fund shall be part of the
11985 Commonwealth Mass Transit Fund. The Commonwealth Transit Capital Fund subaccount shall be established on
11986 the books of the Comptroller and consist of such moneys as are appropriated to it by the General Assembly and of
11987 all donations, gifts, bequests, grants, endowments, and other moneys given, bequeathed, granted, or otherwise
11988 made available to the Commonwealth Transit Capital Fund. Any funds remaining in the Commonwealth Transit
11989 Capital Fund at the end of the biennium shall not revert to the general fund, but shall remain in the
11990 Commonwealth Transit Capital Fund. Interest earned on funds within the Commonwealth Transit Capital Fund
11991 shall remain in and be credited to the Commonwealth Transit Capital Fund. Proceeds of the Commonwealth
11992 Transit Capital Fund may be paid to any political subdivision, another public entity created by an act of the
11993 General Assembly, or a private entity as defined in § 56-557 and for purposes as enumerated in subdivision 4c of
11994 § 33.1-269 or expended by the Department of Rail and Public Transportation for the purposes specified in this
11995 subdivision. Revenues of the Commonwealth Transit Capital Fund shall be used to support capital expenditures
11996 involving the establishment, improvement, or expansion of public transportation services through specific projects
11997 approved by the Commonwealth Transportation Board. Projects financed by the Commonwealth Transit Capital

11998 Fund shall receive local, regional or private funding for at least 20 percent of the nonfederal share of the total
11999 project cost.

12000 5. Funds for Metro shall be paid by the Northern Virginia Transportation Commission (NVTC), or by the
12001 Northern Virginia Transportation Authority (NVTA) once such function is transferred to the NVTA, to the
12002 Washington Metropolitan Area Transit Authority (WMATA) and be a credit to the Counties of Arlington and
12003 Fairfax and the Cities of Alexandria, Falls Church and Fairfax in the following manner:

12004 a. Local obligations for debt service for WMATA rail transit bonds apportioned to each locality using
12005 WMATA's capital formula shall be paid first by NVTC. NVTC shall use 95 percent state aid for these payments.

12006 b. The remaining funds shall be apportioned to reflect WMATA's allocation formulas by using the related
12007 WMATA-allocated subsidies and relative shares of local transit subsidies. Capital costs shall include 20 percent
12008 of annual local bus capital expenses. Hold harmless protections and obligations for NVTC's jurisdictions agreed
12009 to by NVTC on November 5, 1998, shall remain in effect.

12010 Appropriations from the Commonwealth Mass Transit Fund are intended to provide a stable and reliable
12011 source of revenue as defined by Public Law 96-184.

12012 B. The sales and use tax revenue generated by a one percent sales and use tax shall be distributed among the
12013 counties and cities of this Commonwealth in the manner provided in subsections C and D.

12014 C. The localities' share of the net revenue distributable under this section among the counties and cities shall
12015 be apportioned by the Comptroller and distributed among them by warrants of the Comptroller drawn on the
12016 Treasurer of Virginia as soon as practicable after the close of each month during which the net revenue was
12017 received into the state treasury. The distribution of the localities' share of such net revenue shall be computed with
12018 respect to the net revenue received into the state treasury during each month, and such distribution shall be made
12019 as soon as practicable after the close of each such month.

12020 D. The net revenue so distributable among the counties and cities shall be apportioned and distributed upon
12021 the basis of the latest yearly estimate of the population of cities and counties ages five to 19, provided by the
12022 Weldon Cooper Center for Public Service of the University of Virginia. Such population estimate produced by the
12023 Weldon Cooper Center for Public Service of the University of Virginia shall account for persons who are
12024 domiciled in orphanages or charitable institutions or who are dependents living on any federal military or naval
12025 reservation or other federal property within the school division in which the institutions or federal military or
12026 naval reservation or other federal property is located. Such population estimate produced by the Weldon Cooper
12027 Center for Public Service of the University of Virginia shall account for members of the military services who are
12028 under 20 years of age within the school division in which the parents or guardians of such persons legally reside.
12029 Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia
12030 shall account for persons who are confined in state hospitals, state training schools or state training centers for the
12031 mentally retarded, mental institutions, or state or federal correctional institutions or who attend the Virginia
12032 School for the Deaf and the Blind within the school division in which the parents or guardians of such persons
12033 legally reside. Such population estimate produced by the Weldon Cooper Center for Public Service of the
12034 University of Virginia shall account for persons who attend institutions of higher education within the school
12035 division in which the student's parents or guardians legally reside. To such estimate, the Department of Education
12036 shall add the population of students with disabilities, ages two through four and 20 through 21, as provided to the
12037 Department of Education by school divisions. The revenue so apportionable and distributable is hereby
12038 appropriated to the several counties and cities for maintenance, operation, capital outlays, debt and interest
12039 payments, or other expenses incurred in the operation of the public schools, which shall be considered as funds
12040 raised from local resources. In any county, however, wherein is situated any incorporated town constituting a
12041 school division, the county treasurer shall pay into the town treasury for maintenance, operation, capital outlays,
12042 debt and interest payments, or other expenses incurred in the operation of the public schools, the proper
12043 proportionate amount received by him in the ratio that the school population of such town bears to the school
12044 population of the entire county. If the school population of any city or of any town constituting a school division
12045 is increased by the annexation of territory since the last estimate of school population provided by the Weldon
12046 Cooper Center for Public Service, such increase shall, for the purposes of this section, be added to the school
12047 population of such city or town as shown by the last such estimate and a proper reduction made in the school
12048 population of the county or counties from which the annexed territory was acquired.

12049 E. Beginning July 1, 2000, of the remaining sales and use tax revenue, the revenue generated by a two percent
12050 sales and use tax, up to an annual amount of \$13 million, collected from the sales of hunting equipment, auxiliary

12051 hunting equipment, fishing equipment, auxiliary fishing equipment, wildlife-watching equipment, and auxiliary
 12052 wildlife-watching equipment in Virginia, as estimated by the most recent U.S. Department of the Interior, Fish
 12053 and Wildlife Service and U.S. Department of Commerce, Bureau of the Census National Survey of Fishing,
 12054 Hunting, and Wildlife-Associated Recreation, shall be paid into the Game Protection Fund established under §
 12055 29.1-101 and shall be used, in part, to defray the cost of law enforcement. Not later than 30 days after the close of
 12056 each quarter, the Comptroller shall transfer to the Game Protection Fund the appropriate amount of collections to
 12057 be dedicated to such Fund. At any time that the balance in the Capital Improvement Fund, established under §
 12058 29.1-101.01, is equal to or in excess of \$35 million, any portion of sales and use tax revenues that would have
 12059 been transferred to the Game Protection Fund, established under § 29.1-101, in excess of the net operating
 12060 expenses of the Board, after deduction of other amounts which accrue to the Board and are set aside for the Game
 12061 Protection Fund, shall remain in the general fund until such time as the balance in the Capital Improvement Fund
 12062 is less than \$35 million.

12063 F. 1. Of the net revenue generated from the one-half percent increase in the rate of the state sales and use tax
 12064 effective August 1, 2004, pursuant to enactments of the 2004 Special Session I of the General Assembly, the
 12065 Comptroller shall transfer from the general fund of the state treasury to the Public Education Standards of
 12066 Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1 an amount equivalent to one-
 12067 half of the net revenue generated from such one-half percent increase as provided in this subdivision. The
 12068 transfers to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund under this
 12069 subdivision shall be for one-half of the net revenue generated (and collected in the succeeding month) from such
 12070 one-half percent increase for the month of August 2004 and for each month thereafter.

12071 2. For the purposes of the Comptroller making the required transfers under subdivision 1, the Tax
 12072 Commissioner shall make a written certification to the Comptroller no later than the twenty-fifth of each month
 12073 certifying the sales and use tax revenues generated in the preceding month. Within three calendar days of
 12074 receiving such certification, the Comptroller shall make the required transfers to the Public Education Standards
 12075 of Quality/Local Real Estate Property Tax Relief Fund.

12076 G. If errors are made in any distribution, or adjustments are otherwise necessary, the errors shall be corrected
 12077 and adjustments made in the distribution for the next quarter or for subsequent quarters.

12078 H. The term "net revenue," as used in this section, means the gross revenue received into the general fund or
 12079 the Transportation Trust Fund of the state treasury under the preceding sections of this chapter, less refunds to
 12080 taxpayers.

12081 **116. That during the transition period prior to July 1, 2013, rules, issues and goals are to be discussed and**
 12082 **identified by the membership of the Northern Virginia Transportation Commission and the Northern**
 12083 **Virginia Transportation Authority in consultation with any and all interested stakeholders including the**
 12084 **local governments encompassed by the entities, the Department of Transportation, and the Department of**
 12085 **Rail and Public Transportation.**

12086 **117. That the provisions of the 115th and 116th enactments of this act shall become effective on July 1,**
 12087 **2013.***

12088 **118. That §§ 2.2-4024, 46.2-649.1, and 46.2-1217 of the Code of Virginia are amended and reenacted and**
 12089 **that the Code of Virginia is amended by adding in Title 52 a chapter numbered 12, consisting of sections**
 12090 **numbered 52-50 through 52-75 as follows:**

12091 § 2.2-4024. Hearing officers.

12092 A. In all formal hearings conducted in accordance with § 2.2-4020, the hearing shall be presided over by a
 12093 hearing officer selected from a list prepared by the Executive Secretary of the Supreme Court and maintained in
 12094 the Office of the Executive Secretary of the Supreme Court. Parties to informal fact-finding proceedings
 12095 conducted pursuant to § 2.2-4019 may agree at the outset of the proceeding to have a hearing officer preside at the
 12096 proceeding, such agreement to be revoked only by mutual consent. The Executive Secretary may promulgate rules
 12097 necessary for the administration of the hearing officer system and shall have the authority to establish the number
 12098 of hearing officers necessary to preside over administrative hearings in the Commonwealth.

12099 Prior to being included on the list, all hearing officers shall meet the following minimum standards:

- 12100 1. Active membership in good standing in the Virginia State Bar;
- 12101 2. Active practice of law for at least five years; and

10102762D

HOUSE BILL NO. 876

Offered January 13, 2010

Prefiled January 13, 2010

A *BILL to amend the Code of Virginia by adding in Article 15 of Chapter 1 of Title 33.1 a section numbered 33.1-223.2:23, relating to installation and maintenance of fences along Interstate Highway System components.*

Patron—Cline

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 15 of Chapter 1 of Title 33.1 a section numbered 33.1-223.2:23 as follows:

§ 33.1-223.2:23. Installation and maintenance of fences along Interstate Highway System components.

In all matters relating to the installation and maintenance of fences along Interstate Highway System components, the Department of Transportation shall adhere to all policies or other requirements of the county, city, or town in which the fence is located or to be located.

INTRODUCED

HB876

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LEGISLATIVE Alert

AMERICAN PUBLIC TRANSPORTATION ASSOCIATION



February 1, 2012

HOUSE TRANSPORTATION & INFRASTRUCTURE COMMITTEE AND SENATE BANKING COMMITTEE MOVE FORWARD ON AUTHORIZATION PROPOSALS; FUNDING PROPOSALS TO COME

Major action on surface transportation authorization bills will occur this week in the House and Senate, as the House Transportation & Infrastructure (T&I) Committee and the Senate Banking, Housing, and Urban Affairs Committee are each scheduled to mark-up their respective authorization proposals on Thursday, February 2. While the T&I Committee will lead efforts on the House proposal, other committees will have important roles in crafting financing portions of the bill. The House Ways and Means Committee, as well as the Energy and Commerce, and the Natural Resources Committees will develop separate financing titles for the bill.

Indications are that the House Leadership has worked with those committees to set a mark-up schedule that will allow the multiple measures to be completed in time for floor and subsequent conference committee action before the current authorization extension expires on March 31. The House Natural Resources Committee held its mark-up of [energy development provisions](#) earlier today.

The Senate Banking, Housing, and Urban Affairs Committee will mark up the transit title of the Senate bill on Thursday as well. The Environment and Public Work Committee has already marked up the highway title of the bill, and the Senate Finance Committee, which oversees the revenue, financing and trust fund elements of the surface transportation bill, is tentatively scheduled to mark up the financing title next week.

House Transportation & Infrastructure Committee

Information included here is based on a preliminary review of legislative language released this week. APTA continues to review the details of the House T&I bill. One major change from the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) is the elimination of the Mass Transit Account of the Highway Trust Fund and the creation of a new Alternative Transportation Account. Transit programs previously funded under the Mass Transit Account, along with several programs previously funded under the Highway Account, will be funded under the new account, which remains in the Highway Trust Fund. APTA awaits the release of draft language from the House Ways and Means, Natural Resources, and Energy and Commerce Committees, to determine exactly how the House proposal will be funded. APTA believes strongly that motor fuel tax revenues now dedicated to transit investment must remain dedicated to transit programs.

Under the House proposal, authorized funding for transit formula, capital investment and research funding are consistent with Fiscal Year (FY) 2012 levels but still below FY 2011 amounts. The bill includes a number of changes that APTA has recommended, such as: a permanent exemption for transit vehicles from highway axle weight limits; major increases in the Transportation Infrastructure Finance and Innovation Act program; and the replication of the Federal Highway Administration (FHWA) SEP-15 program within Federal Transit Administration (FTA); among other items.

The House T&I bill provides \$10.498 billion, slightly above the full FY 2012 level, for FTA programs during the period of FY 2013 through FY 2016. The bill extends the current authorization for FTA programs in FY 2012 at current appropriations levels. It provides a modest increase in funding to the Urbanized Area Formula program (Sec. 5307) and eliminates the Growing States and High Density (Sec. 5340) formula program, effectively redistributing those funds to core urban and rural formula programs. Consistent with APTA's legislative recommendations, the House T&I bill combines the Elderly and Disabled (Sec. 5310), New Freedoms (Sec. 5317), and Job Access and Reverse Commute (JARC) (Sec. 5316) programs into a Coordinated Access and Mobility Program, increasing the authorization for the combined programs by over \$100 million.

The House bill also provides a significant increase in funding for rural programs. The House bill does not make significant changes to the fixed guideway modernization program, and it increases annual funding slightly above

the FY 2012 level. The bill alters significantly the Bus and Bus Facilities program, converting it to a formula program based on bus factors under the urban formula and limiting grants under the program to “providers of public transportation in urbanized areas that operate fixed route bus services and that do not operate heavy rail, commuter rail, or light rail services.” The House bill also repeals the Clean Fuels Formula program, along with the Alternative Transportation in Parks program. The House T&I Committee has sought to consolidate and streamline programs throughout the bill. No authority is provided to the FTA for a Federal Public Transit Safety program, although the committee bill does enhance the existing State Safety Oversight (SSO) structure. Finally, Capital Investment Grants (New Starts/Small Starts), FTA Administration, and Transit Research are funded through the General Fund (as under current law) at FY 2012 levels. Provisions are included within the Capital Investment Grants section aimed at expediting project delivery, and the bill renews the statutory federal share of 80 percent for new capital investment grants.

The House T&I bill also contains language extending the deadline for implementing Positive Train Control (PTC) systems to December 31, 2020. It also makes high-speed intercity passenger rail an eligible expense under the Railroad Rehabilitation and Improvement Financing (RRIF) loan program and reduces Amtrak operating grants by 25 percent.

[View detailed table reflecting the funding levels and program changes in the House Public Transportation title](#)

[View full House T&I Committee bill](#)

Senate Banking, Housing and Urban Affairs Committee

On Monday, January 30 Senate Banking Committee Chairman Tim Johnson (D-SD) and Ranking Member Richard Shelby (R-AL) released a bipartisan agreement that incorporates many ideas from both sides of the aisle.

On Thursday, February 2 the Committee will mark up the transit title that authorizes two years of funding for FTA programs at FY 2012 levels (similar to the highway title approved earlier). The Committee’s bill authorizes an increase of more than \$600 million for the Urbanized Area Formula program (Sec. 5307), but unlike the House bill it retains the Growing States and High Density States formula program and relocates a modified JARC program to Sec. 5307. The bill includes a modified “100 bus rule”, allowing systems with 75 to 100 buses operating in peak service to use up to 25 percent of their formula funds for operating expenses and those operating 75 or fewer buses to use up to 50 percent for operating expenses. In addition, it includes language allowing public transportation providers flexibility to use a limited portion of their 5307 funds for operating assistance for up to two years during periods of high unemployment, contingent on certain criteria being met.

In a significant programmatic change, the Banking Committee bill eliminates the Bus and Bus Facilities Discretionary program and the current fixed guideway modernization program, and creates a new “High Intensity” State of Good Repair (SGR) program for both rail and bus fixed guideway programs, authorizing \$1.987 billion for this new program. It makes significant changes to the distribution of these funds, eliminating the formula tiers of the current rail modernization program and replacing that formula with a new formula based on revenue vehicle miles and route miles. High-occupancy vehicle lanes would no longer qualify for funding unless they are reserved exclusively for public transportation vehicles. The new High Intensity Bus SGR program is aimed at systems with a large number of bus rapid transit, express bus or other high intensity bus routes that may not qualify as a fixed guideway.

The bill authorizes the Clean Fuel Grant Program as a competitive program to provide grants for the acquisition of clean fuel vehicles and related equipment, the construction of facilities for clean fuel vehicles, and the rehabilitation of existing facilities to accommodate the use of clean fuel vehicles. Additionally, the Committee has included a Coordinate Access and Mobility Program, structured slightly differently from the House bill, but nonetheless combining the Elderly and Disabled and New Freedom programs. It creates separate urban and rural JARC programs funded with a portion of formula funding. The bill also restructures the Transit Research program, creates a Technical Assistance grant program, authorizes a workforce development program, and funds these programs, along with the Transit Cooperative Research Program (TCRP) and the National Transit Institute (NTI) through the Mass Transit Account (as opposed to the General Fund).

Like the House bill, Capital Investment Grants (New Starts) are funded at the FY 2012 level of \$1.955 billion, and the Committee includes language aimed at simplifying the program and streamlining project delivery.

Also included in the Senate Banking bill is language creating a Federal Public Transportation Safety Oversight program similar to legislation previously adopted by the Committee. Authority for the program is included within the FTA Administration account and funded through General Funds.

[View detailed table reflecting the funding levels and program changes in the Senate Banking title](#)

[View Senate Banking Committee summary of the bill](#)

[View full text of the bill](#)

For questions on these issues, please contact Brian Tynan of APTA's Government Affairs Department at (202) 496-4897, or btynan@apta.com.



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Estimated Funding Levels from U.S. House of Representatives American Energy and Infrastructure Jobs Act of 2012
January 31, 2012

Program	FY 2011 Appropriation (Millions)	FY 2012 Estimated Appropriation Under Current Law (Millions)	FY 2013 through FY 2016 Annual House Authorization (Millions)
Total All Programs	10,097.6	10,458.3	10,498.0
Programs Funded from the Highway Trust Fund			
Formula Programs Total	8,343.2	8,360.6	8,400.0
§ 5305 Planning Subtotal	113.3	113.5	126.0
§ 5303 Metropolitan Transportation Planning	93.7	93.9	104.2
§ 5304 Statewide Transportation Planning	19.6	19.6	21.8
§ 5307 Urbanized Area Subtotal	4,542.6	4,551.9	4,574.5
UZA Bus Basic Over 1,000,000 Population	1,656.9	1,660.3	1,788.7
UZA Bus Basic 200,000 to 1,000,000 Population	600.8	602.0	648.6
UZA Bus Basic Less Than 200,000 Population	383.1	383.9	413.6
UZA Bus Incentive	228.7	229.2	246.9
UZA Fixed-Guideway Basic	1,186.3	1,188.8	1,280.7
UZA Fixed-Guideway Incentive	54.5	54.6	58.8
UZA Small Transit Incentive Cities	41.5	41.6	91.5
§ 5336(k) State Safety Oversight	---	---	45.7
§ 5311 Growing States, Urbanized Area	158.8	159.0	---
§ 5311 High Density States, Urbanized Area	232.0	232.5	---
§ 5308 Clean Fuels Formula	51.4	51.5	---
§ 5309(m)(2)(B) Fixed-Guideway Modernization	1,663.0	1,666.5	---
§ 5337 Fixed-Guideway Modernization	---	---	1,680.0
§ 5309(m)(2)(C) Bus and Bus Facilities	982.0	984.0	---
§ 5310 Bus and Bus Facilities	---	---	840.0
§ 5310 Elderly and Disabled	133.2	133.5	---
§ 5311 Rural Area Subtotal	537.2	538.5	672.0
Basic Rural Formula	439.8	440.7	658.6
§ 5311(b)(3) RTAP	9.3	9.3	13.4
§ 5311(c)(1) Transit on Indian Reservations	15.0	15.0	---
§ 5340 Growing States, Rural	73.2	73.5	---
§ 5316 Job Access and Reverse Commute	164.2	164.5	---
§ 5317 New Freedom	92.3	92.5	---
§ 5317 Coordinated Access and Mobility Subtotal	---	---	504.0
§ 5317(d)(1)(A) UZAs 200,000 Pop. or More	---	---	252.0
§ 5317(d)(1)(B) UZAs Below 200,000 Population	---	---	126.0
§ 5317(d)(1)(C) Rural Areas	---	---	126.0
§ 5320 Alternative Transportation in Parks	26.8	26.9	---
§ 5335 National Transit Database	3.5	3.5	3.5
§ 5339 Alternatives Analysis	24.9	25.0	---
§ 3038 Over-the Road Bus Subtotal	8.8	8.8	---
Intercity Fixed-Route Over-the-Road Bus Service	6.6	6.6	---
Other Over-the-Road Bus Service	2.2	2.2	---
Programs Funded from General Revenues			
§ 5309(m)(2)(C) New Starts Total	1,596.8	1,955.0	1,955.0
Research Total	58.9	44.0	45.0
§ 5313(a) TCRP	10.0	6.5	---
§ 5312(c) TCRP	---	---	asca
§ 5315 National Transit Institute	4.3	3.5	---
§ 5322(c) National Transit Institute	---	---	asca
§ 5314 National Research	37.6	30.0	---
§ 5322(d) Technical Assistance	---	---	asca
§ 5506 University Centers	7.0	4.0	---
FTA Operations	98.7	98.7	98.0

asca = as the Secretary [of U.S. DOT] considers appropriate

Federal Public Transportation Act of 2012

Bill Highlights

- Reauthorizes federal public transportation programs at current funding levels for two fiscal years.
- Improves the safety of public transportation systems by improving the effectiveness of federal and state oversight and requiring public transportation safety plans at transit agencies.
- Establishes a system to monitor and manage public transportation assets to improve safety and increase reliability and performance.
- Eliminates earmarks from federal transit programs.
- Streamlines the New Starts process for transit construction to accelerate project delivery by eliminating duplicative steps and speed federal decision-making.
- Establishes a State of Good Repair program to assist public transportation systems in addressing the backlog of maintenance needs.

Sec. 3005, 49 USC 5303/5304, Metropolitan and State Transportation Planning

- Improves metropolitan and statewide planning processes to incorporate a more comprehensive performance-based approach, drawing on the planning provisions developed in the “Moving Ahead for Progress in the 21st Century Act” as reported by the Committee on Environment and Public Works. The use of performance targets will assist metropolitan areas and states in targeting limited resources to improve the condition and performance of transportation assets, including public transportation assets.
- Existing metropolitan planning organizations (MPOs) will be required to meet minimum requirements established by the Secretary of Transportation. All existing MPOs will have the opportunity to review their planning process in order to meet the new minimum requirements.
- Creates a pilot program for transit-oriented development planning to advance planning efforts that support transit-oriented development around fixed guideway capital investment and core capacity projects (New Starts projects). Improved development around public transportation projects enhances economic development, increases transit ridership, and promotes multi-modal connectivity and accessibility. Grants for planning will help communities develop strategies to facilitate transit-oriented development.

Sec. 3007, 49 USC 5306, Public Transportation Emergency Relief Program

- Establishes a program to assist States and public transportation systems pay for unusually heavy expenses resulting from a disaster.

Secs. 3008 and 3027, 49 USC 5307 and 5336, Urbanized Area Formula Grants

- Maintains the basic structure for urbanized area grants under Section 5307. The program continues to be the largest program for federal investment in public transportation. The “Job Access and Reverse Commute” program (JARC) has been moved to Section 5307.
- Maintains the existing criteria for use of 5307 funds for capital projects (operating expenses continue to be ineligible) in urban areas with a population greater than 200,000. In addition, the bill maintains language allowing rural areas to use up to 100 percent of their 5307 funding for operating expenses. A modified “100 bus rule” has been included, allowing systems with 75-100 buses operating in peak service to use up to 25% of their 5307 funding for operating expenses and those operating 75 or fewer buses to use up to 50% for operating expenses.
- Includes a provision establishing a program to allow public transportation providers temporary flexibility during periods of high unemployment to use a limited portion of their 5307 funds for up to two years, provided they meet the established criteria, for operating expenses.

Sec. 3009, 49 USC 5308, Clean Fuel Grant Program

- Establishes the Clean Fuel Grant Program as a competitive program to support the use of clean fuel vehicles in public transportation. Grants will be available for the acquisition of clean fuel vehicles and related equipment, the construction of facilities for clean fuel vehicles, and the rehabilitation of existing facilities to accommodate the use of clean fuel vehicles.
- Grants can be made to all modes of public transportation, but not less than 65 percent of available funds in each fiscal year must fund eligible bus-related projects, and not less than 10 percent of available funds in each fiscal year must fund eligible bus-related facility and infrastructure projects.

Sec. 3010, 49 USC 5309, Fixed Guideway Capital Investment Grants (New Starts)

- Reforms and streamlines the “Fixed Guideway Capital Investment Grant” program (previously the “Major Capital Investment Grant” or “New Starts” program). Based on extensive feedback from project sponsors and other stakeholders, the bill streamlines the New Starts process to accelerate project delivery by eliminating duplicative steps in project development and instituting a modified program structure that will allow the Federal Transit Administration to review proposals quickly, without sacrificing effective project oversight.
- Duplicative steps in the existing process are eliminated under the bill, and the number of federal approvals required to advance a project is decreased. *See Attached Flow Chart.
- Projects under \$100 million can utilize an expedited review process if they meet standards of similar highly qualified projects. The bill also creates a category of demonstration projects for

sponsors that propose a significant amount of local and/or private funding and reduce the federal commitment required for the projects.

- Establishes a new category for capital investment projects by authorizing core capacity projects, which will undergo the same process as other true “new starts” projects but provide an opportunity for existing systems to make necessary but significant investments that are currently not eligible for funding.
- Modifies the definition of Bus Rapid Transit project eligible under this Section to ensure that such projects actually mimic the characteristics of fixed guideway systems.

Sec. 3011, 49 USC 5310, Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities

- Consolidates the existing “Elderly and Disabled” (Sec. 5310) and “New Freedom” (Sec. 5317) programs into a single program that increases the level of resources available beyond the level of funding available under existing programs.
- The consolidated program will continue to ensure support for non-profit providers of transportation, and it will continue to make available funds to public transportation services that exceed the requirements of the Americans with Disabilities Act, as previously provided under the “New Freedom” program.
- Maintains the requirement for communities to develop a coordinated public transportation-human services transportation plan to improve the delivery of service.

Sec. 3012, 49 USC 5311, Formula Grants for Other Than Urbanized Areas (Rural Formula)

- Maintains the existing structure providing funding to states for public transportation in rural areas. The 5311 formula is expanded to include the rural component of the current “Job Access and Reverse Commute” program that is being eliminated, and the level of public transportation service that is provided within a state’s rural areas will be considered in the distribution of new funds.
- Funding for the “Public Transportation on Indian Reservations” program is increased to \$30 million. The Secretary will distribute \$10 million competitively each fiscal year, and \$20 million will be available to Indian Tribes as formula grants to continue and expand public transportation services.
- Establishes a new “Appalachian Development Public Transportation Program” to distribute \$20 million to states within the Appalachian region with a goal of providing greater public transportation opportunities to residents in these challenged areas.

Sec. 3013, 49 USC 5312, Research, Development, Demonstration, and Deployment Projects

- Modifies the existing research program by eliminating earmarks and reforming the program to provide research focused on public transportation with a goal of providing meaningful results.
- Creates a clearly delineated pipeline with criteria for continued progress with a goal of taking an idea from the research phase through to demonstration and deployment in the field.
- For the first time, the program specifically provides funding for demonstration and deployment of products and services that may benefit public transportation; a major impediment to putting new technology to use in the field often cited by public transportation providers.

Sec. 3014, 49 USC 5314, Technical Assistance and Standards Development

- Provides grants for activities that help public transportation systems more effectively and efficiently provide public transportation service and helps grant recipients administer funds received under this chapter;
- Authorizes the Federal Transit Administration to continue making grants for the development of voluntary standards by the public transportation related to procurement, safety and other subjects and authorizes the Secretary to fund technical assistance centers to assist grant recipients following a competitive process.

Sec. 3015, 49 USC 5318, Bus Testing Facilities

- Instructs the Secretary to certify no more than 4 comprehensive facilities for testing new bus models for maintainability, reliability, safety, performance (including braking performance), structural integrity, fuel economy, emissions, and noise.
- Includes a new requirement that vehicles tested at these facilities meet the requirements (receive a passing grade) established by the Secretary in order for a recipient to spend federal dollars to procure the vehicle.

Sec. 3016, 49 USC 5322, Public Transportation Workforce Development and Human Resource Programs

- Authorizes the Secretary to make grants, or enter into contracts for, activities that address human resource and workforce needs as they apply to public transportation activities.
- Requires public transportation agencies to spend a portion of their 5307 formula funding on workforce development activities, unless the Secretary determines that a transit agency has an adequate workforce development program or has partnered with a local educational institution to sufficiently addresses workforce development and human resource needs.

- Creates the Innovative Public Transportation Workforce Development Program, a competitive grant program to promote and assist the development of innovative workforce development and human resource activities within the public transportation industry.

Sec. 3019, 49 USC 5326, Transit Asset Management

- Establishes a system to monitor and manage public transportation assets to improve safety and increase reliability and performance. Recipients are required to establish and use an asset management system to develop capital asset inventories and condition assessments, and report on the condition of their system as a whole, including a description of the change in overall condition since the last report.
- The Secretary of Transportation is required to define the term ‘state of good repair,’ including objective standards for measuring the condition of capital assets.

Sec. 3021, 49 USC 5329, Public Transportation Safety Program

- Establishes a National Public Transportation Safety Plan to improve the safety of all public transportation systems that receive Federal funding. The Secretary will develop minimum performance standards for vehicles used in public transportation and establish a training program for Federal and State employees who conduct safety audits and examinations of public transportation systems.
- Requires public transportation agencies to establish comprehensive safety plans, thus encouraging a “culture of safety” in which each employee completes a safety training program that includes continuing safety education and training. Public transportation agency safety plans will be approved by the agency’s board of directors, and reviewed and updated annually.
- Improves the effectiveness of State Safety Oversight Agencies and increases federal funding for safety. States will submit proposals for state safety oversight programs for rail fixed guideway public transportation systems to the Secretary, and upon approval, receive funding at an 80 percent Federal share. The Act builds on the existence of State safety oversight agencies and requires them to be independent legal entities that have the authority, staff training and expertise to enforce Federal safety law.
- Provides new enforcement over public transportation safety to the Secretary of Transportation. In the event a public transportation agency is in violation of Federal safety law, the Secretary will have the authority to require more frequent oversight; impose more frequent reporting requirements; impose conditions on grants; withhold grant funds; and impose civil penalties. Public transportation agencies will be given the opportunity to address violations before these penalties are imposed, and Congress must be notified prior to the Secretary withholding grant funds or imposing civil penalties.

Sec 3027, 49 USC 5337, State of Good Repair Grant Program

- Modernizes, and renames, the old “Rail Modernization” program by establishing a program structure and defining eligible expenses under the program with a goal of moving all systems towards a state of good repair and enabling systems to maintain a state of good repair.
- The program has two major components: a rail fixed guideway state of good repair formula program and a high intensity bus state of good repair formula program. In addition, the bill establishes a discretionary grant program for rail fixed guideway systems.
- Funding tiers and earmarks in the old rail modernization program have been eliminated and replaced with a new structure that focuses on the age of the system, revenue vehicle miles and directional route miles. Additionally, the new proposal no longer recognizes highway high occupancy vehicle lanes as eligible directional route miles if they are not reserved for the sole use of public transportation vehicles.
- The new high intensity bus state of good repair formula program focuses on systems that have a large number of bus rapid transit, express bus or other high intensity bus routes that may not qualify as a fixed guideway.

Sec. 3029, 49 USC 5338, Authorizations

- See Attached table for funding amounts

Sec. 3030, 49 USC 5340, Apportionments based on growing States and high density States formula factors

- Maintains the existing formula for providing funding to growing states and high density states

	FPTA -- TF	FPTA -- GF
Administration		\$ 108,350,000
<i>Section 5329 -- Safety [non-add]</i>		[\$10,000,000]
<i>Section 5326 -- Asset Management Program [non-add]</i>		[\$1,000,000]
Section 5305 Planning Programs	\$ 144,850,000	
<i>Section 5303 Metropolitan Transportation Planning Program [non-add]</i>	[\$103,275,920]	
<i>Transit Oriented Development Pilot - Planning [non-add]</i>	[\$20,000,000]	
<i>Section 5304 Statewide Transportation Planr.</i>	[\$21,574,080]	
Section 5306 Emergency Relief		
Section 5307 Urbanized Area Formula Program	\$ 4,756,161,500	
<i>Job Access and Reverse Commute [non-add]</i>	[\$144,760,000]	
<i>Ferry takedown (of which \$10M is for geographically constrained areas) [non-add]</i>	[\$35,000,000]	
<i>Takedown -- STIC (1% of the total apportionment) [non-add]</i>	[\$45,763,915]	
Section 5308 Clean Fuels Program	\$ 65,150,000	
<i>Setaside for activities under 5312 [non-add]</i>	[\$8,500,000]	
Section 5309 Capital Investment Grants		\$ 1,955,000,000
Section 5310 Elderly and Disabled	\$ 248,600,000	
Section 5311 Nonurbanized Area Formula Program	\$ 591,190,000	
<i>Takedown -- Transit Asset Management [non-add]</i>		
<i>Takedown -- Rural Transit Assistance Program (RTAP) [non-add]</i>	[\$10,860,276]	
<i>Takedown -- Public Transportation on Indian Reservations [non-add]</i>	[\$30,000,000]	
<i>Takedown -- Appalachian Development Public Transportation Porgram[non-add]</i>	[\$20,000,000]	
<i>Job Access and Reverse Commute [non-add]</i>	[\$46,190,000]	
Section 5312 Research, Development, Demonstration, and Deployment Projects	\$ 34,000,000	
Section 5313 Transit Cooperative Research Program (TCRP)	\$ 6,500,000	
Section 5314 Technical Assistance and Standards Development	\$ 4,500,000	
Section 5315 National Transit Institute	\$ 5,000,000	
Section 5320 Paul S. Sarbanes Transit in Parks Program		\$ 26,900,000
Section 5322 Workforce Development and Human Resource Programs	\$ 2,000,000	
Section 5335 National Transit Database	\$ 3,850,000	
Section 5337 SGR	\$ 1,987,263,500	
<i>Fixed Guideway SGR [non-add]</i>	[\$1,874,763,500]	
Fixed Guideway SGR Discretionary		\$ 7,463,000
<i>Motorbus SGR [non-add]</i>	[\$112,500,000]	
Section 5340 Growing States and High Density States Formula	\$ 511,500,000	
	\$ 8,360,565,000	\$ 2,097,713,000