



# Office of Transportation

## Summary

The agencies in the Transportation secretariat are charged with providing Virginians with a safe, efficient, intermodal transportation system that provides for an ease of mobility, responds to the market, and fosters economic prosperity. They plan, regulate, construct, maintain, and provide for the safe use of the state's highways and ports. They also provide administrative and regulatory services, such as issuing driver's licenses, registering motor vehicles, and titling motor vehicles. In addition, transportation agencies provide planning assistance and funding for public transportation and airports.

### Summary of recommended funding for Transportation agencies

Agency	Fiscal year 2003			Fiscal year 2004		
	GF	NGF	All funds	GF	NGF	All funds
Secretary of Transportation	0.0	0.5	0.5	0.0	0.5	0.5
Department of Aviation	<0.1	23.6	23.6	<0.1	24.5	24.5
Department of Motor Vehicles	0.0	216.1	216.1	0.0	216.1	216.1
Department of Rail and Public Transportation	0.0	149.6	149.6	0.0	155.2	155.2
Department of Transportation	40.0	2,757.9	2,797.9	66.9	2,955.1	3,022.0
Motor Vehicle Dealer Board	0.0	1.7	1.7	0.0	1.7	1.7
Virginia Port Authority	0.0	49.1	49.1	0.0	50.4	50.4
<b>Total for Office of Transportation</b>	<b>40.1</b>	<b>3,198.4</b>	<b>3,238.5</b>	<b>67.0</b>	<b>3,403.5</b>	<b>3,470.5</b>

Dollars in millions. Figures may not add due to rounding. See "How to read the summary tables" on page B-1.

## Secretary of Transportation

The Secretary of Transportation is appointed by the Governor and assists the Governor in the management and direction of state government. This Secretary provides guidance to the six agencies in the Transportation secretariat. The Secretary's office does not receive any federal funds.

### No recommended funding changes

## Department of Aviation

The department helps airport owners plan, construct, maintain, and operate their airports. The agency also plans the state's aviation system and promotes aviation and air travel safety. These activities account for more than 90 percent of the agency's budget. In addition, the department licenses aircraft and airports, and maintains the state government's fleet of aircraft, which accounts for slightly less than 10 percent of the agency's budget.

The primary funding for the agency comes from nongeneral fund sources such as fuel taxes, and aircraft sales and use taxes. In 2001, 1.4 percent of the agency's spending was from federal funds.

### Recommended funding changes:

- ▶ **Authorize long-term debt service to support the Aviation World's Fair 2003.** Authorization for the department to issue debt or other obligations in order to secure debt obligations of the Virginia Resources Authority, in an amount not to exceed \$15.0 million, including all financing costs, to provide funding for capital improvements for the Newport News/Williamsburg International Airport. These improvements will support the Aviation World's Fair 2003. This action is contained in Budget Bill language and has no direct budget impact.
- ▶ **Adjust funding for financial assistance to airports due to revised revenue forecast.** An adjustment to the nongeneral fund appropriation for financial assistance to airports to reflect the Commonwealth Transportation Board's revised revenue forecast. For 2003, an increase of \$357,200 (NGF). For 2004, an increase of \$1.3 million (NGF).

## Department of Motor Vehicles

The department is responsible for licensing over five million drivers in the state, and registering over six million motor vehicles. The agency promotes highway and transportation safety, focusing on the safe operation of cars, trucks, and other types of motor vehicles. The department provides services through customer service centers and two mobile units in locations across the state.

Each year the department collects about \$1.4 billion in fuels taxes and other transportation fees and taxes. These revenues support programs in the Virginia Port Authority and the Departments of Motor Vehicles, Aviation, Transportation, and Rail and Public Transportation, and in other designated safety and environmental programs. Some of this funding also goes to localities as tax receipts from rental vehicles and the sale of mobile homes, and to a program to reimburse localities for the removal of abandoned cars.

The funding for this agency comes from nongeneral funds, including motor vehicle registration fees, title fees, driver's licenses, license plates, and related fees and taxes. In 2001, 5.0 percent of the agency's expenditures was from federal funds.

### Recommended funding changes:

- ▶ **Adjust tax collections for rental vehicles.** A technical adjustment to provide additional appropriation to enable the agency to meet its obligations to make payments of all revenue collected in 2003 and 2004. A portion of the tax on rental vehicles is paid to localities. Payments to localities are up because more consumers are renting vehicles. For each year, \$8.4 million (NGF).
- ▶ **Adjust tax collections for manufactured homes.** A technical adjustment to provide additional appropriation to enable the agency to meet its obligations to make payments of all revenue collected in 2003 and 2004. A portion of the tax on manufactured homes is paid to localities. Payments to localities are up because more consumers are buying manufactured homes. For each year, \$1.1 million (NGF).

- ▶ **Provide funding for truck weigh station operations.** Additional funds consistent with legislation to increase the liquidated damages assessments for truck weight violations approved by the 2001 General Assembly. These enhancements and the addition of 50 positions were approved administratively for 2002. For 2003, \$5.7 million (NGF) and 50 positions (NGF). For 2004, \$5.7 million (NGF).
- ▶ **Increase funding for operational expenses.** Additional funding to reflect the increased costs of special and personalized plates, modification to the fee discount distribution, and the residual effects of growth in titling fees, rental vehicle fees, and fuels tax collections. This additional revenue has enabled the agency to continue its mission without any need for adjustments to agency fees, and to fund increases in recurring obligations associated with the agency's customer service delivery obligations. Using these revenues, DMV has been able to invest its resources in agency staffing, technology, and facilities requirements. For each year, an increase of \$12.7 million (NGF).

## Department of Rail and Public Transportation

The department develops plans for public transportation and freight rail systems in Virginia and provides grants to localities to improve these services. Ninety-five percent of the agency's budget goes to local and regional transportation districts for public transportation projects. All of this agency's budget comes from nongeneral fund sources: motor fuel taxes, motor vehicle sales and use taxes, motor vehicle license fees, and federal funds. In 2001, 9.1 percent of the agency's spending was from federal funds.

### Recommended funding change:

- ▶ **Adjust funding for mass transit operations.** A technical adjustment to reflect a revised forecast for mass transit funds. The revised forecast shows an increase in collections of gasoline taxes, motor vehicles sales taxes, motor vehicle license fees, and federal funds. For 2003, an increase of \$17.4 million (NGF). For 2004, an increase of \$23.0 million (NGF).

## Department of Transportation

The agency has built and maintains 65,000 miles of roads, over 19,700 bridges, and five tunnel systems. It also provides money to cities and towns for street construction and maintenance, conducts transportation research and evaluation, and operates toll roads, bridges, and ferries. In fiscal year 2001, the department began implementation of the Virginia Transportation Act of 2000. This act created the Priority Transportation Fund, under which transportation projects will be funded on a priority basis by the General Assembly.

Almost all the department's budget comes from nongeneral funds. The major sources of highway transportation and maintenance funds are gasoline taxes, motor vehicle sales taxes, motor vehicle license fees, and federal funds. In 2001, 20.5 percent of the agency's spending was from federal funds.

### Recommended funding changes:

- ▶ **Adjust Transportation Fund revenue** An adjustment to reflect additional revenue for the Priority Transportation Fund and other transportation programs, pursuant to the Virginia Transportation Act of 2000. For 2003, an increase of \$223.5 million (NGF). For 2004, an increase of \$419.7 million (NGF).

- ▶ **Provide additional positions and funding.** Funding for an additional 144 positions. This adjustment includes 99 positions recommended in the policy report of the Governor's Commission on Transportation, 18 positions to address environmental concerns, and 27 positions for construction inspections. The commission focused on the policies and procedures that govern transportation in Virginia and recommended changes to help shape as well as craft a new, integrated, and balanced transportation system for the new century. For 2003, \$7.4 million (NGF) and 144 positions (NGF). For 2004, \$7.4 million (NGF).
- ▶ **Provide additional funding for debt service.** Provide debt service funding, subject to the authorization of the Commonwealth Transportation Board to issue bonds. The proceeds of the bonds will be paid into the Commonwealth Transportation Fund in lieu of the revenue generated by the one-half percent sales and use tax. For 2004, \$26.9 million (GF).

## Motor Vehicle Dealer Board

The Dealer Board establishes licensing standards, administers exams, and issues business licenses for sales persons as well as motor vehicle dealers. The funding for this agency comes from nongeneral funds, including fees for certification, licensing, and licensing renewal. The agency does not receive any federal funds.

**No recommended funding changes**

## Virginia Port Authority

The mission of the ports relates to the state's long-term strategic transportation plan as well as the state's strategic economic development plan. The agency, through the Commonwealth, owns and operates marine terminals in Portsmouth, Norfolk, and Newport News. It also owns a truck and rail terminal in Front Royal. It markets these ports to ship lines and businesses worldwide through the headquarters in Norfolk, as well as through other offices across the United States and overseas. Overseas offices include locations in Brussels, Buenos Aires, Tokyo, Seoul, Sao Paulo, Singapore, Cairo, and Hong Kong. Currently, the authority's budget is from nongeneral fund sources, primarily revenues received from the Transportation Trust Fund and from fees paid by ship lines for use of the ports. The agency does not receive any federal funds.

### Recommended funding changes:

- ▶ **Provide funds for increase in insurance costs.** Additional funds are needed to cover an unanticipated increase in insurance costs. The majority of the costs will be paid using the port's Special Funds. For 2003, an increase of \$150,000 (NGF). For 2004, an increase of \$50,000 (NGF).
- ▶ **Increase security positions.** Provide additional funds and positions to meet an increase in workload. The additional security positions should reduce overtime costs resulting from added security measures. For 2003, \$318,310 (NGF), and eight positions (NGF). In 2004, \$310,310 (NGF).
- ▶ **Adjust funding for port operations.** Increase appropriation for Commonwealth Port Funds to reflect revised revenue estimates. For 2003, \$1.6 million (NGF). For 2004, \$3.0 million (NGF).



# Office of Transportation

## Detail Tables

	Fiscal Year 2003			Fiscal Year 2004		
	General	Nongeneral	All Funds	General	Nongeneral	All Funds
<b>SECRETARY OF TRANSPORTATION</b>						
<b>2002 legislative appropriation</b>	0	517,276	517,276	0	517,276	517,276
Adjustments to legislative appropriation	0	6,428	6,428	0	6,428	6,428
<b>Activity-based budget</b>	0	523,704	523,704	0	523,704	523,704
<b>Total recommended funding</b>	0	523,704	523,704	0	523,704	523,704
% change over activity-based budget	0%	0%	0%	0%	0%	0%
<b>Position level:</b>						
<b>2002 legislative appropriation</b>	0	4.00	4.00	0	4.00	4.00
Recommended position level changes	0	0	0	0	0	0
<b>Total recommended positions</b>	0	4.00	4.00	0	4.00	4.00
<b>DEPARTMENT OF AVIATION</b>						
<b>2002 legislative appropriation</b>	50,099	23,050,037	23,100,136	50,099	23,050,037	23,100,136
Adjustments to legislative appropriation	0	170,800	170,800	0	170,800	170,800
<b>Activity-based budget</b>	50,099	23,220,837	23,270,936	50,099	23,220,837	23,270,936
<b>Recommended funding changes:</b>						
▶ Adjust funding for the financial assistance to airports due to revised revenue forecast	0	357,200	357,200	0	1,253,000	1,253,000
<b>Total recommended funding changes</b>	0	357,200	357,200	0	1,253,000	1,253,000
<b>Total recommended funding</b>	50,099	23,578,037	23,628,136	50,099	24,473,837	24,523,936
% change over activity-based budget	0%	1.54%	1.53%	0%	5.40%	5.38%
<b>Position level:</b>						
<b>2002 legislative appropriation</b>	0	32.00	32.00	0	32.00	32.00
Recommended position level changes	0	0	0	0	0	0
<b>Total recommended positions</b>	0	32.00	32.00	0	32.00	32.00
<b>DEPARTMENT OF MOTOR VEHICLES</b>						
<b>2002 legislative appropriation</b>	0	177,543,916	177,543,916	0	177,543,916	177,543,916
Adjustments to legislative appropriation	0	10,722,206	10,722,206	0	10,722,206	10,722,206
<b>Activity-based budget</b>	0	188,266,122	188,266,122	0	188,266,122	188,266,122
<b>Recommended funding changes:</b>						
▶ Adjust tax collections for rental vehicles	0	8,400,000	8,400,000	0	8,400,000	8,400,000

	Fiscal Year 2003			Fiscal Year 2004		
	General	Nongeneral	All Funds	General	Nongeneral	All Funds
▶ Adjust tax collections for manufactured homes	0	1,100,000	1,100,000	0	1,100,000	1,100,000
▶ Increase funding for additional operational expenses	0	12,683,875	12,683,875	0	12,683,875	12,683,875
▶ Provide funding for truck weigh station operations	0	5,691,738	5,691,738	0	5,691,738	5,691,738
<b>Total recommended funding changes</b>	0	27,875,613	27,875,613	0	27,875,613	27,875,613
<b>Total recommended funding</b>	0	216,141,735	216,141,735	0	216,141,735	216,141,735
% change over activity-based budget	0%	14.81%	14.81%	0%	14.81%	14.81%
<b>Position level:</b>						
<b>2002 legislative appropriation</b>	0	1,828.00	1,828.00	0	1,828.00	1,828.00
Recommended position level changes	0	200.00	200.00	0	200.00	200.00
<b>Total recommended positions</b>	0	2,028.00	2,028.00	0	2,028.00	2,028.00
<b>DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION</b>						
<b>2002 legislative appropriation</b>	0	131,810,081	131,810,081	0	131,810,081	131,810,081
Adjustments to legislative appropriation	0	371,671	371,671	0	371,671	371,671
<b>Activity-based budget</b>	0	132,181,752	132,181,752	0	132,181,752	132,181,752
<b>Recommended funding change:</b>						
▶ Adjust funding for mass transit operations	0	17,385,914	17,385,914	0	23,022,014	23,022,014
<b>Total recommended funding change</b>	0	17,385,914	17,385,914	0	23,022,014	23,022,014
<b>Total recommended funding</b>	0	149,567,666	149,567,666	0	155,203,766	155,203,766
% change over activity-based budget	0%	13.15%	13.15%	0%	17.42%	17.42%
<b>Position level:</b>						
<b>2002 legislative appropriation</b>	0	29.00	29.00	0	29.00	29.00
Recommended position level changes	0	3.00	3.00	0	3.00	3.00
<b>Total recommended positions</b>	0	32.00	32.00	0	32.00	32.00
<b>DEPARTMENT OF TRANSPORTATION</b>						
<b>2002 legislative appropriation</b>	134,347,000	2,535,602,200	2,669,949,200	134,347,000	2,535,602,200	2,669,949,200
Adjustments to legislative appropriation	(94,347,000)	(8,563,749)	(102,910,749)	(94,347,000)	(7,563,749)	(101,910,749)
<b>Activity-based budget</b>	40,000,000	2,527,038,451	2,567,038,451	40,000,000	2,528,038,451	2,568,038,451
<b>Recommended funding changes:</b>						
▶ Adjust Transportation Fund revenue	0	223,476,907	223,476,907	0	419,715,807	419,715,807
▶ Provide additional funding for debt service	0	0	0	26,915,361	0	26,915,361
▶ Provide additional positions and funding	0	7,374,542	7,374,542	0	7,374,542	7,374,542
<b>Total recommended funding changes</b>	0	230,851,449	230,851,449	26,915,361	427,090,349	454,005,710
<b>Total recommended funding</b>	40,000,000	2,757,889,900	2,797,889,900	66,915,361	2,955,128,800	3,022,044,161
% change over activity-based budget	0%	9.14%	8.99%	67.29%	16.89%	17.68%
<b>Position level:</b>						
<b>2002 legislative appropriation</b>	0	10,672.00	10,672.00	0	10,672.00	10,672.00
Recommended position level changes	0	(27.00)	(27.00)	0	(27.00)	(27.00)
<b>Total recommended positions</b>	0	10,645.00	10,645.00	0	10,645.00	10,645.00

	Fiscal Year 2003			Fiscal Year 2004		
	General	Nongeneral	All Funds	General	Nongeneral	All Funds
<b>MOTOR VEHICLE DEALER BOARD</b>						
<b>2002 legislative appropriation</b>	0	1,643,373	1,643,373	0	1,643,373	1,643,373
Adjustments to legislative appropriation	0	31,808	31,808	0	31,808	31,808
<b>Activity-based budget</b>	0	1,675,181	1,675,181	0	1,675,181	1,675,181
<b>Total recommended funding</b>	0	1,675,181	1,675,181	0	1,675,181	1,675,181
% change over activity-based budget	0%	0%	0%	0%	0%	0%
<b>Position level:</b>						
<b>2002 legislative appropriation</b>	0	26.00	26.00	0	26.00	26.00
Recommended position level changes	0	0	0	0	0	0
<b>Total recommended positions</b>	0	26.00	26.00	0	26.00	26.00
<b>VIRGINIA PORT AUTHORITY</b>						
<b>2002 legislative appropriation</b>	0	46,765,930	46,765,930	0	46,765,930	46,765,930
Adjustments to legislative appropriation	0	188,321	188,321	0	188,321	188,321
<b>Activity-based budget</b>	0	46,954,251	46,954,251	0	46,954,251	46,954,251
<b>Recommended funding changes:</b>						
▶ Increase security positions	0	318,310	318,310	0	310,310	310,310
▶ Provide funds for increase in insurance costs	0	150,000	150,000	0	50,000	50,000
▶ Adjust funding for port operations	0	1,632,571	1,632,571	0	3,041,171	3,041,171
<b>Total recommended funding changes</b>	0	2,100,881	2,100,881	0	3,401,481	3,401,481
<b>Total recommended funding</b>	0	49,055,132	49,055,132	0	50,355,732	50,355,732
% change over activity-based budget	0%	4.47%	4.47%	0%	7.24%	7.24%
<b>Position level:</b>						
<b>2002 legislative appropriation</b>	0	128.00	128.00	0	128.00	128.00
Recommended position level changes	0	8.00	8.00	0	8.00	8.00
<b>Total recommended positions</b>	0	136.00	136.00	0	136.00	136.00
<b>TOTAL FOR TRANSPORTATION</b>						
Grand total recommended funds	40,050,099	3,198,431,355	3,238,481,454	66,965,460	3,403,502,755	3,470,468,215
Grand total recommended positions	0	12,903.00	12,903.00	0	12,903.00	12,903.00