

Notes for HB 3202
2007 General Assembly Session

Fair Share for Northern Virginia...the devil's in the details

Northern Virginia's fair share of transportation funds will be significantly diminished by the Transportation Bill just passed by the General Assembly.

- Northern Virginia needs approximately \$1 billion per year, year after year to address our desperate transportation needs – from small projects to large.
- The bill that passed provides just \$2.5 billion to be spent statewide over 7 years. We need that much in Northern Virginia alone.
- The Northern Virginia Local funding initiative (Albo, Rust, Watts) will raise approximately \$400 million a year. In contrast, the bill adds just \$90 million to the \$105 million the state currently spends on Northern Virginia construction projects. \$400 million from us matched by just \$200 million from the state...that's a stacked poker game.
- Not only is Northern Virginia's own money the only significant money we get from the bill that passed, but much of the state money will come from the General Fund. This means that Northern Virginians will pay far more for what we get back than we currently do from the Transportation Fund.
- Northern Virginia taxpayers pay over 43% of the General Fund, which comes mostly from income and sales taxes. In contrast, we pay less than 30% of state transportation funds, which come from usage as well as wealth. (Northern Virginians pay the same as any other Virginian for a driver's license and less in gas taxes because we drive newer, more fuel efficient cars over shorter distances. The rest of transportation funding comes from a 1/2-cent of the sales tax and a 3% tax on car sales.)
- Funding transportation from the General Fund will give Northern Virginians only about 55 cents back on every tax dollar we've paid. This is a huge step backwards from the 80 cents on the dollar that the construction formula currently gives us from the Transportation Fund. When transit is included our return on the dollar is even more.
- Northern Virginia's historic, hard-fought share of state transportation spending is further gutted because the adopted plan only stops the maintenance drain for 3-4 years. Northern Virginia gets only about 11% of the maintenance dollar compared to getting over 18% of road construction dollars. Therefore, we lose 40 cents on every one of our much-needed construction dollars that is diverted for statewide maintenance.

In summary: (1) The total amount raised is woefully short of the need. (2) Northern Virginians are putting the only serious money on the table. (3) Northern Virginia gets a significantly smaller return on the dollar than we do currently. (4) Our small, net gain of \$90 million in state

construction funds will last only a few years before it is drawn down to fund statewide maintenance. (5) Significant, new, ongoing, statewide transportation funds are essential to keep Northern Virginians from being short-changed.