

2004 Session – Amendment to HB30
Chief Patron: Watts Item 469 #2h
Transportation
Secretary Of Transportation Language

Language: Page 347, strike line 12 through line 18.

Explanation:

(This amendment eliminates language stating that maintenance of the existing transportation system is the first priority of the transportation agency and that funds from the Transportation Trust Fund shall be used as needed for maintenance and operations costs prior to new construction.)

Delegate Watts Handout

§33.1-23.03:1 “...created in the Department of the Treasury a special nonreverting fund to be known as the Transportation Trust Fund, consisting of:

1. Funds remaining for highway construction purposes, among the several highway systems pursuant to § 33.1-23.1.
2. [Repealed.]
3. The additional revenues generated by enactments of Chapters 11, 12 and 15 of the Acts of Assembly, 1986 Special Session, and designated for this fund...”

§33.1-23.03:2 (as amended) provides that 78.7 percent of the Transportation Trust Fund “shall be expended for **capital improvements** including construction, reconstruction, maintenance, and improvements of highways **according to the provision of §33.1-23.1 B** (emphasis added).” Although this language does permit expenditure of TTF revenue on “maintenance,” such maintenance was never intended to be routine maintenance, which is to be funded off-the-top under §33.1-23.1 **A** (emphasis added) solely from funds available from sources other than the TTF. Indeed, the clear intent of language is that any maintenance expenditures using TTF funds are to be in the nature of “capital improvements.” (Note: This expanded concept of “maintenance” allows maximum flexibility in using the various categories of federal funds.)

Should there be perceived conflict or ambiguity, the provisions of §33.1-23.03:1, which was created by the 1986 Special Session and amended in 1988, 1991, 1992 and 1993, would take precedent over §33.1-23.1 which has not been amended since the regular 1986 Session.

Chapter 11 of the Acts of Assembly, 1986 Special Session, provided through §58.1-2425 (iii) that the DMV shall pay to the Transportation Trust Fund the net additional revenues generated by the 1986 Special Session, which increased the annual license tag \$3 (§§46.2-694 and 697) and increased the vehicle titling tax by 1¢ (§§ 58.1-2401 and 2402). Chapter 12 provided through (§58.1-638A.1.) that the increase in the sales tax of ½ ¢; be paid into the Transportation Trust Fund. Chapter 15 increased the state fuel tax by 2 ½ ¢.