

Overview of Existing Transportation Funding

October 19, 2015

Statewide Transportation Funding for Current FY 16-21 SYIP

- **\$32.9 Billion for FY 16-21 SYIP**
 - State Revenues = \$25.6 Billion ~ 78%
 - Federal Revenues = 5.5 Billion ~ 17%
 - Bonds and Other Revenue = \$1.7 Billion ~ 5%
- **1% Increase over previous SYIP**
- **House Bill 2 Funding for FY 17-21**
 - **\$1.2 Billion ~ 3.6%**

Commonwealth Transportation Fund

Draft Fiscal Years 2016 – 2021 Six-Year Financial Plan

Estimated Revenues (in millions)

	2016	2017	2018	2019	2020	2021	Total
State Transportation Revenues							
HMO	\$ 1,900.6	\$ 1,927.0	\$ 1,951.0	\$ 1,988.2	\$ 2,017.2	\$ 2,040.3	\$ 11,824.3
TTF net interest	1,157.2	1,189.8	1,224.2	1,260.7	1,294.9	1,326.7	7,453.5
PTF (From TTF)	190.9	197.1	205.4	214.7	223.0	231.0	1,262.1
Regional Transportation Funds	483.5	492.6	508.3	523.6	539.1	553.4	3,100.5
Local and Other Revenues	446.0	360.3	313.3	316.1	267.9	269.2	1,972.8
Total	<u>4,178.2</u>	<u>4,166.8</u>	<u>4,202.2</u>	<u>4,303.3</u>	<u>4,342.1</u>	<u>4,420.6</u>	<u>25,613.2</u>
Federal Revenues	<u>930.2</u>	<u>925.1</u>	<u>925.1</u>	<u>925.1</u>	<u>925.1</u>	<u>925.1</u>	<u>5,555.6</u>
Total Revenues	<u>5,108.4</u>	<u>5,091.9</u>	<u>5,127.3</u>	<u>5,228.4</u>	<u>5,267.1</u>	<u>5,345.7</u>	<u>31,168.8</u>
Other Financing Sources							
GARVEE Bonds	375.0	225.2	120.0	90.0	-	-	810.2
Capital Improvement Bonds	122.9	122.9	122.9	61.6	50.0	-	480.3
Route 58	-	-	-	-	400.0	-	400.0
Total	<u>497.9</u>	<u>348.1</u>	<u>242.9</u>	<u>151.6</u>	<u>450.0</u>	<u>-</u>	<u>1,690.6</u>
Total Revenues and Other Financing Sources	<u>\$ 5,606.3</u>	<u>\$ 5,440.0</u>	<u>\$ 5,370.2</u>	<u>\$ 5,380.0</u>	<u>\$ 5,717.1</u>	<u>\$ 5,345.7</u>	<u>\$ 32,859.4</u>

Future Federal Revenue Projections Uncertain

Poll: 70 percent of US residents want more road funding



COMMENTS 54



By Keith Laing - 10/13/15 09:35 AM EDT

Seventy percent of U.S. residents want Congress to increase the amount of money it spends on transportation projects, according to a new poll released on Tuesday by the AAA auto club.

The finding comes as lawmakers are facing an **Oct. 29 deadline for renewing federal infrastructure spending.**

1. Nationwide: Transportation Infrastructure needs are great
2. Lack of consensus in Congress on long term Transportation Funding
3. 34th Continuing Resolution on last Long Term bill expires 10/29/15
4. Federal Gas Tax has remained at 18.4 center/gallon since 1993 and is not indexed to inflation
 - 1st Class Postage: 29 cents (1993)
 - 1st Class Postage: 49 cents (2015)
5. Devolution of More Transportation Responsibilities to States/Localities?

Commonwealth Transportation Funding - FY16

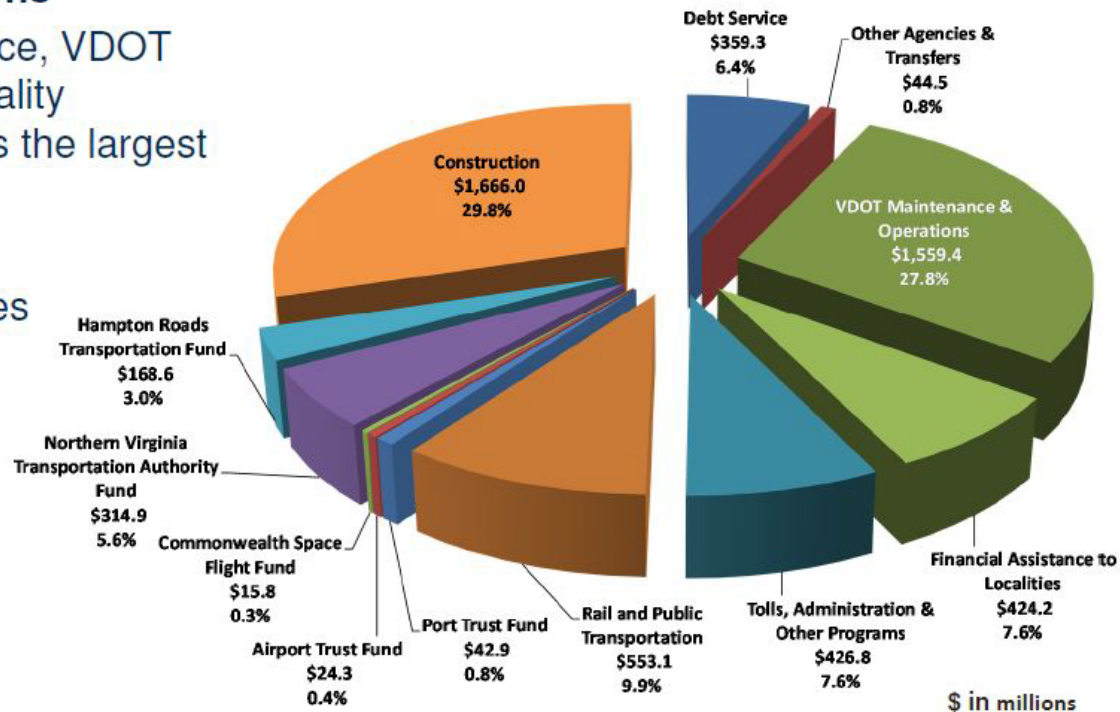
Total Budget: \$5.6 Billion

Maintenance & Operations: About \$2 Billion

Construction: About \$1.67 Billion

FY 2016 CTF Allocations

- Highway Maintenance, VDOT maintained and Locality Maintained, (35%) is the largest allocation
- Construction receives 30% of the total



Major SYIP Funding Programs

- **House Bill 2:**
 - Statewide High Priority Project Program
 - District Grant Program
- **Dedicated Bridge Program – due to expire in 2020 & rolls up to the “State of Good Repair” Program**
- **State of Good Repair Program (starting in FY2021)**
- **Safety**
 - Highway Safety Improvement Program (HSIP)
 - High Risk Rural Roads
 - Rail Safety
 - Bicycle & Pedestrian
- **Highway Maintenance and Operating Fund (HMOF)**

Major Funding Sources in SYIP - Continued

- **MPO Controlled Funds**
 - RSTP
 - CMAQ
 - Some Transportation Alternatives (TA)
- **Secondary Six Year Plan (SSYP)**
 - Telefees
 - Unpaved Roads Funds
- **Application Based Programs**
 - Special State Funding Programs (Revenue Sharing, Access Funds, Primary Extension Paving, etc.)
 - Special Federal Funding Programs (Transportation Alternatives, Federal Lands Access, etc.)

Other Possible Funding Paths

- Regional Revenues
- Transportation Partnership Opportunity Fund (TPOF)
- Virginia Transportation Infrastructure Bank (VTIB)
- Public Private Partnerships
- Local Transportation Funding
 - Bond Referendums
 - Service Districts

House Bill 2 Funding

- **FY 17-22 SYIP (Funding in FY 17-21 period)**
 - **\$1.2 Billion in Total Funding**
 - \$600 Million for Statewide High Priority
 - \$600 Million for District Grant
- **FY 18-23 SYIP (Funding in FY 22-23 period)**
 - **\$778 Million in Total Funding**
 - \$389 Million for Statewide High Priority
 - \$389 Million for District Grant
- **Two Year Cycle for HB 2 Likely begins with FY 18-23 SYIP**
 - Next HB 2 cycle would be FY 20-25 with funding in FY 24-25 period

House Bill 2 Funding (Continued)

HB2/HB 1887 District Grant Percentages

District	Percentage
Bristol	7.0%
Culpeper	6.2%
Fredericksburg	6.9%
Hampton Roads	20.2%
Lynchburg	7.1%
Northern Virginia	20.7%
Richmond	14.4%
Salem	9.6%
Staunton	7.8%
Total	100.0%

- HB 1887 created a New Formula for HB 2
 Supercedes old 40-30-30 formula for Primary-
 Urban-Secondary highway improvements
 45 % State of Good Repair (Starts FY-21)
 27.5 % Statewide High Priority
 27.5% District Grant Program
- \$600 Million Statewide for FY 17-22
 - \$6.9% for Fredericksburg ~ \$41 Million
 - \$389 Million Statewide for FY 18-23
 - \$6.9% for Fredericksburg ~ \$27 Million

Revenue Sharing

- Current state policy direction is to decrease the size of the program. Shift some funds to HB 2.
- State Regulation - \$15 to \$200 Million/year
- Maximum award: \$10 Million
 - (Requires 1:1 Match from Locality)
- FY 17-22 Estimate: \$150 Million total
- FY 18-23 Estimate: \$100 Million total
 - \$50 Million/year for FY-22 & FY-23

MPO Controlled Funds

- Metropolitan Planning Organizations (MPOs) that have populations over 200,000 have access to three federal fund types to program on projects included in their **TIP** within the MPO planning boundary area
 - Regional Surface Transportation Plan (RSTP) Funds
 - Congestion Mitigation and Air Quality (CMAQ) Funds
 - Transportation Alternatives (TA) Funds
 - Currently only applies for Northern Stafford
 - FAMPO Member Localities must apply for funds through the MPO for RSTP. For TA, application must be done through Statewide application process.

Regional Surface Transportation Plan Funds (RSTP)

- Broad Flexibility in usage
- Once RSTP funds are programmed to a project, they must be “obligated” within one (1) year from the date they are allocated to the project.
- Typically must be expended within three (3) years of obligation.
- Current RSTP Funding for FAMPO:
 - FY-16: About \$1.3 Million
 - FY 16-21 SYIP: About \$7.8 Million
- Future Outlook
 - Funding has been flat or declining slightly in recent years.
 - Relatively flat funding expected between now and 2022
 - Large increase anticipated for FAMPO region as a result of 2020 Decennial Census. Higher funding likely to go into effect by 2023.

Congestion Mitigation and Air Quality Funds (CMAQ)

- Intended for projects that do not increase main line capacity and seek to improve congested conditions and/or improve air quality in the region
- Road, Bicycle & Pedestrian, Transit, Operating Assistance, etc
- Must be obligated within two (2) years of allocation
- Must be expended within four (4) years of obligation
- Current CMAQ Funding for FAMPO:
 - FY-16: About \$2.44 Million
 - FY 16-21 SYIP: About \$14.5 Million
- Future Outlook
 - Funding has been flat or declining slightly in recent years.
 - Relatively flat funding expected between now and 2022
 - Uncertain what impact future Air Quality Conformity Regulations and Decennial Census will have on FAMPO CMAQ funding, but a significant increase in funding appears unlikely.

Transportation Alternatives (TA)

- **New funding source for TMA MPOs in Map-21**
 - Most TA funding still under control of State DOTs, but a portion is allocated to TMA MPOs
 - With FAMPO, only currently applies to North Stafford (In Washington, DC TMA)
 - Likely to include all of FAMPO by 2023 following 2020 Decennial Census
- **Provides funding for programs and projects defined as transportation alternatives, including on- and off-road pedestrian and bicycle facilities, infrastructure projects for improving non-driver access to public transportation and enhanced mobility, community improvement activities, and environmental mitigation; recreational trail program projects; safe routes to school projects; and projects for planning, designing, or constructing boulevards and other roadways largely in the right-of-way of former Interstate System routes or other divided highways.**
- **Current TA Funding for FAMPO:**
 - **FY-16: About \$81 Thousand**
 - **FY 16-21 SYIP: Little less than \$0.5 Million**
- **Future Outlook**
 - Funding has been flat in recent years.
 - Relatively flat funding expected between now and 2022
 - Similar to RSTP, a large increase anticipated for FAMPO region as a result of 2020 Decennial Census. Higher funding likely to go into effect by 2023.

Questions?

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