

Virginia Department of Transportation Budget and Funds Management Division

2050 Constrained Long-Range Plan (CLRP)

The CLRP for FY 2021 – 2050 is based on FY 2021 – 2026 Six-Year Financial Plan (SYFP), modified for the COVID-19 Update and the state revenue estimates available in December 2020. It also uses the Six-Year Improvement Program (SYIP) adopted by the Commonwealth Transportation Board (CTB) in June 2019. The out years are based on the trends in the current plans and as detailed below.

Revenue

The total nominal (year of expenditure) value of the CLRP is \$260.0 billion. This total includes all funding that would be included in the Commonwealth Transportation Fund (CTF) over the period and includes funding distributed for highways, transit and rail, ports, and airports.

During its 2020 session, the Virginia General Assembly enacted the Governor’s Omnibus Transportation Bill, Chapter 1230 (House Bill 1414), which revised the composition of and increased available revenues for transportation funding in the Commonwealth. Under Chapter 1230, the CTF serves as the fund to which all transportation revenues are deposited and then distributed to programs and funds. For reference, the major transportation revenues include: (i) motor vehicles fuels taxes and road taxes for diesel fuel; (ii) vehicle registration fees; (iii) highway use fee; (iv) 0.5% statewide sales and use tax; (v) 0.3% statewide sale and use tax for transportation; (vi) 4.15% percent motor vehicles sales and use tax; (vii) motor vehicle rental tax (10 percent of gross proceeds from rentals for most passenger vehicles); (viii) \$0.03 of the \$0.25 per \$100 of assessed value of the statewide recordation tax; (ix) tax on liquid alternative fuel, set at the rate for gasoline; (x) International Registration Plan fees; and (xi) one-third of the revenue from insurance premium taxes.

State Revenue

- The average total state revenue growth for FY 2021-2026 is 3.8%.
- With the exception of Fuels Tax, all state revenue is adjusted year over year by the growth rate for each revenue sources between FY 2027 and FY 2028 in the December 2020 state revenue estimates provided by the Department of Taxation.
- Fuel Tax estimate updates were completed with anticipated changes in fuel tax rates as well as estimated changes in consumption. This long-term estimate includes the new adjustment to the tax rate annually, increasing it by the anticipated Consumer Price Index. VDOT staff used data from the Department of Taxation.

Federal Revenue

- The federal revenue estimates are based on the current federal program and planned Apportionment and Formula Obligation Authority (OA) provided to Virginia through federal fiscal year 2020, assuming 94.9% of the apportionment total is available OA.

- Beyond FY 2020, we have assumed a growth rate of 1.7% each year of federal programs.

Allocation of Funds

Chapter 1230 also amends the allocation of funds. Before funds are distributed between the Transportation Trust Fund (TTF) and the Highway Maintenance and Operating Fund (“HMO Fund”), (i) \$40 million annually will be deposited into the Route 58 Corridor Development Fund; (ii) \$40 million annually will be deposited into the Northern Virginia Transportation District Fund; and (iii) \$80 million annually (as adjusted annually based on changes in consumer price index for urban consumers) will be deposited into the Special Structure Fund. Enactment Clause 11 of Chapter 1230 provides the CTB the ability to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure funds for modal programs and the HMOF are at least equal to the amounts provided for in the SYFP for the CTF as in effect on January 1, 2020.

The remaining funds in the CTF are allocated 51% to the HMO Fund and 49% to the TTF. Chapter 1230 directs the following distribution of funds from the Transportation Trust Fund: (i) 53% for construction programs; (ii) 23% to the Commonwealth Mass Transit Fund; (iii) 7.5% to the Commonwealth Rail Fund; (iv) 2.5% to the Commonwealth Port Fund; (v) 1.5% to the Commonwealth Aviation Fund; (vi) 1% to the Commonwealth Space Flight Fund; (vii) 10.5% to the Priority Transportation Fund; and (viii) 1% to the Department of Motor Vehicles. Enactment Clause 11 of Chapter 1230 also allows the CTB to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure appropriate coverage ratios for any outstanding debt backed by the TTF.

Methodology for Allocation to Districts and Metropolitan Planning Organizations (MPOs)

- Administrative Programs includes the following VDOT program areas:
 - 699 – Administrative and Support Services
 - 514 – Environmental Monitoring and Evaluation
 - 60315 – Construction Management
 - 602 – Ground Transportation Planning and Research
- Maintenance allocations include Highway System Maintenance and Operations for VDOT-maintained roads and Financial Assistance for City and County Road Maintenance. These funds are divided amongst the districts based on the district's two-year average share (2019-2020).
- Once district amounts for Maintenance are obtained, population percentages are applied to determine MPO amounts.
- Construction allocations are distributed according to the SYIP detailed distribution for FY 2021-2026 where applicable. Distribution methodologies for State of Good Repair, High Priority Projects, and District Grant Program are described below.
- VDOT specific programs, like Revenue Sharing, were held as statewide amounts and not distributed to the MPOs.
- Special Allocations in Northern Virginia
 - 395 Annual Transit Payment –The anticipated Annual Transit Payments have been included with Northern Virginia.
 - Transform66 Efforts
 - I-66 Inside the Beltway Toll Revenue – Expectations for available funds for distribution are not incorporated into the CLRP.
 - I-66 Outside the Beltway Project – The anticipated Annual Transit Payments have been included with Northern Virginia. Funds for Corridor Improvements are not in the CLRP.

Construction Program Allocation Assumptions

House Bill 1887 from the 2015 General Assembly session implemented funding distribution methodologies that are fully implemented in FY 2021.

- **State of Good Repair** funding is distributed to VDOT districts based on need and has codified constraints on the distribution among the districts. For the CLRP distribution, the currently assumed needs distribution has been applied over the time period. Beyond FY 2025, the distribution to the MPOs within the district is determined based on population shares within the district.
- **District Grant Program** funding is distributed to VDOT districts based on the codified formulas. For the CLRP distribution, the distribution through FY 2025 is as the Smart Scale Distribution provided with the adoption of the SYIP in December 2020. Beyond FY 2026, the distribution to the MPOs within the district is determined based on population shares within the district.
- **High-Priority Projects Program** funding is available to projects as selected by the Commonwealth Transportation Board. For the CLRP distribution, the distribution through FY 2025 is as the Smart Scale Distribution provided with the adoption of the SYIP in December 2020. Beyond 2025, the distribution follows that of the District Grant Program as has been assumed. The distribution to the MPOs within the district is determined based on the population share within the district.

In addition, Chapter 1230 of the 2020 Acts of Assembly altered and established two funding programs and methodologies beginning in FY 2021.

- **Interstate Operations and Enhancement Program** funding is available to projects as selected by the Commonwealth Transportation Board. The interstate program was initially established in the 2019 Session. Funds were subsequently distributed to projects on Interstate 81 and Interstate 95 during fiscal year 2020 through subsequent CTB actions. Those projects are not reflected in the current CLRP data. As part of the flexible transition to full implementation to HB 1230 provided in the Biennial Budget actions from the 2020 Special Session of the General Assembly, these funds are being shown at the statewide level (i.e., not distributed to MPOs at this time). We anticipate further programming details will be available for in the FY 2022 CLRP update.
- **Virginia Highway Safety Improvement Program** funding is available to projects as selected by the Commonwealth Transportation Board. As part of the flexible transition to full implementation to HB 1230 provided in the Biennial Budget actions from the 2020 Special Session of the General Assembly, these funds are being shown at the statewide level (i.e., not distributed to MPOs at this time).

Comparison to previous Constrained Long Range Plan (CLRP)

The comparison provided below represents the same fiscal year spans that were in the previous CLRP that are also in the current CLRP. These are fiscal years 2021-2045. This comparison does not include funds that are not directly tied to an MPO for this analysis. The total CLRP does contain funds that are not affiliated with an MPO.

	FY 2018-2045 CLRP (2021-2045)	FY 2021-2050 CLRP (2021-2045)
Maintenance-Localities	\$ 12,342.1	\$ 12,407.7
Maintenance-VDOT	\$ 33,421.6	\$ 33,265.2
Administrative	\$ 2,063.4	\$ 2,521.5
Regional Revenues	\$ 16,211.9	\$ 24,839.8
395 Transit	\$ 525.2	\$ 525.2
66 Outside the Beltway	\$ -	\$ 545.0
Construction		
CMAQ	\$ 1,170.6	\$ 1,122.2
CMAQ Match	\$ 292.7	\$ 280.5
District Grant Program	\$ 1,691.5	\$ 6,219.4
High Priority Projects	\$ 1,812.7	\$ 4,891.0
Other Discretionary Construction	\$ 115.5	\$ 230.0
RSTP	\$ 2,889.4	\$ 2,856.8
RSTP Match	\$ 721.2	\$ 714.2
State of Good Repair	\$ 1,422.1	\$ 6,101.5
TAP	\$ 190.5	\$ 190.5
Subtotal for Construction	\$ 10,306.2	\$ 22,606.1
Total	\$ 74,870.3	\$ 96,710.5