

# FY 2024

## Commonwealth Transportation Fund Budget June 2023



**Virginia Department of Transportation**

Financial Planning Division

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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 Commonwealth Transportation Fund (CTF) serves as the fund to which all transportation revenues are deposited and then distributed to programs and funds. These 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.

Chapter 1230 also amended the allocation of funds. Before funds are distributed between the Transportation Trust Fund 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 Commonwealth Transportation Board the ability to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure funds for modal programs and the highway maintenance and operating fund are at least equal to the amounts provided for in the six-year financial plan for the Commonwealth Transportation Fund as in effect on January 1, 2020.

Toll revenue and concession payments to the Commonwealth under the Public-Private Transportation Act of 1995 also would be deposited to the Commonwealth Transportation Fund and allocated to the Transportation Trust Fund (for defined purposes and not available for further distribution). Interest, dividends, and appreciation accrued to the Transportation Trust Fund or the HMO Fund also would be allocated to the Commonwealth Transportation Fund and distributed two-thirds to the Virginia Transportation Infrastructure Bank and one-third to the Transportation Partnership Opportunity Fund.

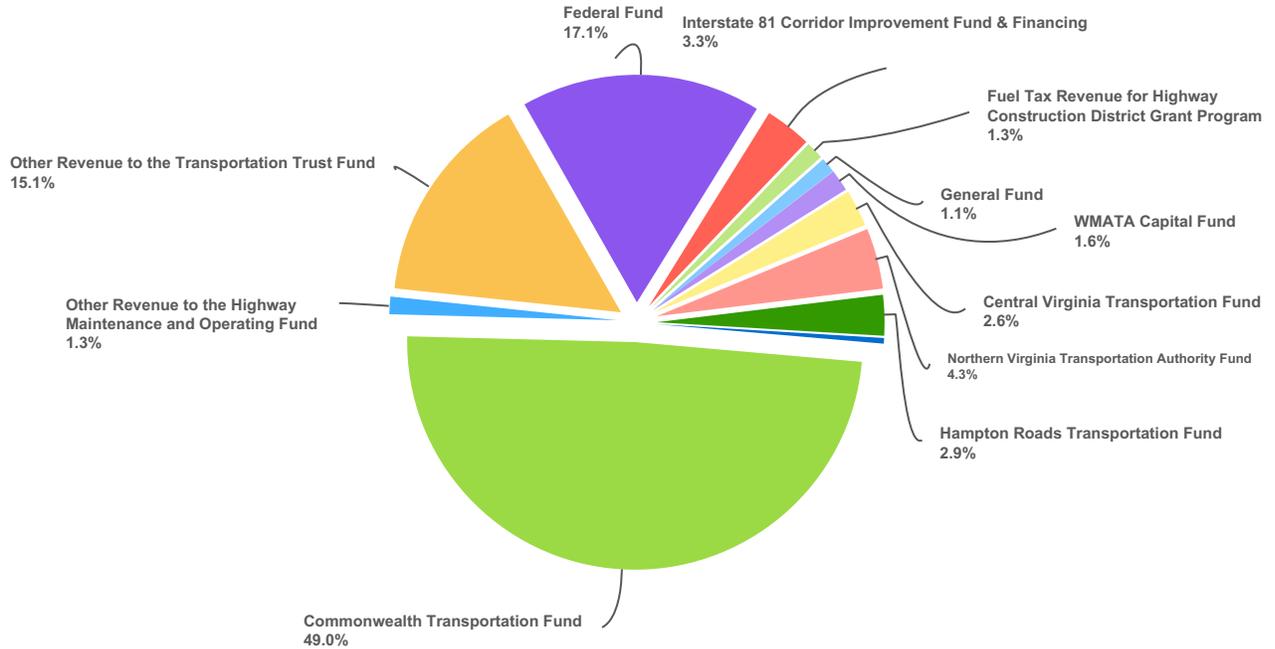
The remaining funds in the Commonwealth Transportation Fund are allocated 51% to the HMO Fund and 49% to the Transportation Trust Fund. Chapter 1230 directs the following distribution of funds from the Transportation Trust Fund: (i) 53% for construction programs; (ii) 23% to the Commonwealth Mass Transit 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 Commonwealth Transportation Board to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure appropriate coverage ratios for any outstanding debt backed by the Transportation Trust Fund.

The Fiscal Year 2024 budget for the CTF identifies the estimated revenues and the distribution of the revenues to the related transportation agencies and programs. It is based on the state revenue forecast from December 2022 and reflects implementation of federal funding provided under the Infrastructure Investment and Jobs Act (IIJA). The FY 2024 CTF Budget totals \$9,799,289,669.



The CTF receives revenues from dedicated state and federal sources. The major state revenues are based on Virginia's official revenue forecast developed by the Department of Taxation. The federal revenues from the Federal Highway Administration and the Federal Transit Administration are estimated by the Virginia Department of Transportation (VDOT) and the Virginia Department of Rail and Public Transportation (DRPT). Revenues provided are also from funds collected for regional transportation improvements in Northern Virginia, Hampton Roads, and Central Virginia. These funds are dedicated to the efforts of the Northern Virginia Transportation Authority, Central Virginia Transportation Authority, and the Hampton Roads Transportation Accountability Commission.

## Commonwealth Transportation Fund Total Revenues for FY 2024



Commonwealth Transportation Fund	\$4,804,000,000
Other Revenue to the Highway Maintenance and Operating Fund	124,541,002
Other Revenue to the Transportation Trust Fund	1,479,839,871
Federal Fund	1,671,921,599
Priority Transportation Fund	1,275,381
Interstate 81 Corridor Improvement Fund & Financing	324,677,638
Fuel Tax Revenue for Highway Construction District Grant Program	123,814,178
General Fund	110,000,000
Bonds	—
<b>Total Operating Revenues</b>	<b>8,640,069,669</b>
Pass Through Revenues	
WMATA Capital Fund	152,320,000
Central Virginia Transportation Fund	258,300,000
Northern Virginia Transportation Authority Fund	422,800,000
Hampton Roads Transportation Fund	284,500,000
Hampton Roads Regional Transit Fund	41,300,000
<b>Subtotal</b>	<b>1,159,220,000</b>
<b>TOTAL</b>	<b>\$9,799,289,669</b>



STATE REVENUE SOURCES	2nd Revised FY 2023	FY 2024	INCREASE (DECREASE)	
<b>Commonwealth Transportation Fund</b>	\$ 4,708,800,000	\$ 4,804,000,000	\$ 95,200,000	1
<b>Revenue Sharing</b>	191,405,031	—	(191,405,031)	2
<b>Highway Maintenance &amp; Operating Fund (HMOF)</b>	42,098,489	124,541,002	82,442,513	13
<b>General Fund</b>	373,204,000	110,000,000	(263,204,000)	3
<b>Transportation Trust Fund (TTF) and Other State Revenue</b>				
Interest Earnings	18,490,000	15,670,000	(2,820,000)	
Toll Facilities	37,840,000	52,293,843	14,453,843	
Local Revenue Sources	383,592,011	650,606,418	267,014,407	
Project Participation - Regional Entities	701,196,581	636,187,813	(65,008,768)	
GARVEE Bonds/ Interest Earnings	19,222,769	—	(19,222,769)	
Route 58 Bonds/ Interest Earnings	1,054,829	1,333,623	278,794	
I-66 Outside the Beltway Concession Fee Payment/Interest	21,279,551	47,500,000	26,220,449	
Interstate 81 Corridor Improvement Fund	78,800,000	324,677,638	245,877,638	4
Special Fund Account for the Highway Construction District Grant Program	89,497,754	123,814,178	34,316,424	1
Other Trust Fund Revenue	92,164,670	76,248,174	(15,916,496)	
<b>Total TTF and Other Revenue</b>	<b>1,443,138,165</b>	<b>1,928,331,687</b>	<b>485,193,522</b>	
<b>Priority Transportation Fund (PTF)</b>				
State Revenue	7,288,181	1,275,381	(6,012,800)	
<b>Total PTF</b>	<b>7,288,181</b>	<b>1,275,381</b>	<b>(6,012,800)</b>	
<b>Pass Through Revenues</b>				
Revenue Dedicated to WMATA Capital Fund	133,920,000	152,320,000	18,400,000	1
State Revenue for Regional Entities	872,400,000	1,006,900,000	134,500,000	1
<b>Total Pass Through Revenues</b>	<b>1,006,320,000</b>	<b>1,159,220,000</b>	<b>152,900,000</b>	
<b>TOTAL STATE REVENUES</b>	<b>7,772,253,866</b>	<b>8,127,368,070</b>	<b>355,114,204</b>	
<b>Federal Funding Sources</b>				
Federal Highway Administration (FHWA)	1,705,820,159	1,615,825,612	(89,994,547)	5
Federal Transit Administration (FTA)	49,228,459	56,095,987	6,867,528	
<b>Total Federal Funding</b>	<b>1,755,048,618</b>	<b>1,671,921,599</b>	<b>(83,127,019)</b>	
<b>TOTAL COMMONWEALTH TRANSPORTATION FUNDS</b>	<b>\$ 9,527,302,484</b>	<b>\$ 9,799,289,669</b>	<b>\$ 271,987,185</b>	



<b>DISTRIBUTION OF REVENUE SOURCES</b>	<b>2nd Revised FY 2023</b>	<b>FY 2024</b>	<b>INCREASE (DECREASE)</b>
<b>Debt Service</b>			
Northern Virginia Transportation District	\$ 11,870,438	\$ 11,867,238	\$ (3,200)
Route 28	8,644,519	8,644,519	—
Route 58	30,815,139	46,358,694	15,543,555
Interstate 81	5,220,979	5,173,690	(47,289)
GARVEE Bonds	136,978,264	133,577,767	(3,400,497)
CPR Bonds	193,302,200	193,035,670	(266,530)
<b>Total Debt Service</b>	<b>386,831,539</b>	<b>398,657,578</b>	<b>11,826,039</b>
<b>Other Agencies &amp; Transfers</b>			
Trust Fund Management	3,092,567	3,174,982	82,415
Support to Other State Agencies (excludes DRPT)	43,349,176	43,349,176	—
Indirect Costs	2,721,175	2,802,811	81,636
<b>Total State Agencies</b>	<b>49,162,918</b>	<b>49,326,969</b>	<b>164,051</b>
<b>Maintenance &amp; Operations</b>			
Highway System Maintenance	2,064,850,289	2,129,291,986	64,441,697
Financial Assist. to Localities for Ground Transportation - Cities	482,781,468	511,715,254	28,933,786
Financial Assist. to Localities for Ground Transportation - Counties	81,017,497	86,316,968	5,299,471
<b>Total Maintenance &amp; Operations</b>	<b>2,628,649,254</b>	<b>2,727,324,208</b>	<b>98,674,954</b> 6
<b>Tolls, Administration &amp; Other Programs</b>			
Ground Transportation System Planning and Research	106,954,634	144,354,106	37,399,472
Environmental Monitoring & Compliance	18,045,289	19,985,858	1,940,569
Administrative and Support Services	319,867,259	344,405,762	24,538,503
Program Management and Direction	51,057,141	51,818,489	761,348
Toll Facilities Operations	37,840,000	52,293,843	14,453,843
Toll Facility Revolving Account	36,750,000	41,750,000	5,000,000
Capital Outlay	40,000,000	60,000,000	20,000,000
<b>Total Tolls, Administration &amp; Other Programs</b>	<b>610,514,323</b>	<b>714,608,058</b>	<b>104,093,735</b>

<b>DISTRIBUTION OF REVENUE SOURCES</b>	<b>2nd Revised FY 2023</b>	<b>FY 2024</b>	<b>INCREASE (DECREASE)</b>
<b>Transit and Rail Funds</b>			
Share of TTF Distribution for Transit	\$ 508,381,494	\$ 522,681,667	\$ 14,300,173
Transit - Share of administrative costs	(662,119)	(680,793)	(18,674)
Other Revenue dedicated to Transit	21,153,359	16,557,193	(4,596,166)
Share of TTF Distribution for Rail	165,776,574	170,439,674	4,663,100
Rail - Share of administrative costs	(170,401)	(170,401)	—
Federal Transit Authority (FTA)	49,228,459	56,095,987	6,867,528
CMAQ (without State Match)	28,101,634	18,660,577	(9,441,057) <sup>11</sup>
STP Regional (without State Match)	12,945,933	6,280,091	(6,665,842) <sup>11</sup>
Interest Earnings	1,890,000	1,270,000	(620,000)
HB1414 Off the Top to Commonwealth Mass Transit Fund	50,300,000	—	(50,300,000) <sup>12</sup>
HB1414 Off the Top to Commonwealth Rail Fund	32,700,000	—	(32,700,000) <sup>12</sup>
Mass Transit Fund-Support from Construction	10,261,896	6,235,169	(4,026,727)
Rail Fund - Support from Construction	87,500,000	4,000,000	(83,500,000) <sup>12</sup>
Priority Transportation	7,300,000	4,500,000	(2,800,000)
Other	22,111,000	48,385,000	26,274,000
<b>Subtotal Transit and Rail Funds</b>	<b>996,817,829</b>	<b>854,254,164</b>	<b>(142,563,665)</b>
<b>Pass Through Revenue for WMATA Capital</b>			
Dedicated Revenue for WMATA Capital Fund	133,920,000	152,320,000	18,400,000 <sup>1</sup>
Transfer from NVTD Fund for WMATA Capital Fund	20,000,000	20,000,000	—
<b>Subtotal WMATA Capital Fund</b>	<b>153,920,000</b>	<b>172,320,000</b>	<b>18,400,000</b>
Airports - Share of TTF Distribution	33,155,315	34,087,935	932,620
Airports - Share of administrative costs	(45,770)	(47,061)	(1,291)
Airports - Interest Earnings	700,000	700,000	—
Directed CTF Allocation	1,500,000	—	(1,500,000) <sup>12</sup>
<b>Total Airport Trust Fund</b>	<b>35,309,545</b>	<b>34,740,874</b>	<b>(568,671)</b>
Ports - Share of TTF Distribution	55,258,858	56,813,225	1,554,367
Ports - Share of administrative costs	(82,262)	(84,582)	(2,320)
Ports - Interest Earnings	1,000,000	1,000,000	—
Directed CTF allocation	4,000,000	—	(4,000,000) <sup>12</sup>
<b>Total Port Trust Fund</b>	<b>60,176,596</b>	<b>57,728,643</b>	<b>(2,447,953)</b>
Department of Motor Vehicles - Share of TTF Distribution	22,103,543	22,725,290	621,747
DMV - Share of administrative costs	(15,153)	(15,580)	(427)
Directed CTF allocation	8,500,000	—	(8,500,000) <sup>12</sup>
<b>Total DMV</b>	<b>30,588,390</b>	<b>22,709,710</b>	<b>(7,878,680)</b>
Virginia Commercial Space Flight Authority - Share of TTF Distribution	22,103,543	22,725,290	621,747
Space Flight Authority - Share of administrative costs	(27,833)	(28,618)	(785)
Directed CTF allocation	1,500,000	—	(1,500,000) <sup>12</sup>
<b>Total Space Flight Authority</b>	<b>23,575,710</b>	<b>22,696,672</b>	<b>(879,038)</b>



<b>DISTRIBUTION OF REVENUE SOURCES</b>	<b>2nd Revised FY 2023</b>	<b>FY 2024</b>	<b>INCREASE (DECREASE)</b>
<b>Pass Through Revenue Allocations</b>			
Central Virginia Transportation Authority Fund	\$ 198,900,000	\$ 258,300,000	59,400,000
Northern Virginia Transportation Authority Fund	417,801,502	460,074,354	42,272,852
Hampton Roads Transportation Fund	254,300,000	284,500,000	30,200,000
Hampton Roads Regional Transit Fund	39,900,000	41,300,000	1,400,000
<b>Total Regional Transportation Programs</b>	<b>910,901,502</b>	<b>1,044,174,354</b>	<b>133,272,852</b>
<b>Construction</b>			
Financial Assistance to Localities for Ground Transportation	18,303,310	18,529,377	226,067
State of Good Repair Program	332,341,175	295,282,234	(37,058,941)
High Priority Projects Program	247,367,360	196,299,471	(51,067,889)
Construction District Grant Programs	336,865,113	320,113,649	(16,751,464)
Specialized State and Federal Programs	2,210,516,438	2,188,804,907	(21,711,531)
Virginia Highway Safety Improvement Program	135,127,988	98,149,736	(36,978,252)
Interstate Operations and Enhancement Program	275,333,494	498,529,065	223,195,571
<b>Total Construction</b>	<b>3,555,854,878</b>	<b>3,615,708,439</b>	<b>59,853,561</b>
Special Structures	85,000,000	85,040,000	40,000
<b>DISTRIBUTION OF COMMONWEALTH TRANSPORTATION FUNDS</b>			
	<b>\$ 9,527,302,484</b>	<b>\$ 9,799,289,669</b>	<b>\$ 271,987,185</b>
<b>Agency Funding Summary:</b>			
<b>VDOT</b>	\$ 8,351,976,310	\$ 8,669,574,775	\$ 317,598,465
<b>Less Support to DRPT</b>	(125,061,896)	(34,735,169)	90,326,727
<b>VDOT (Net)</b>	<b>8,226,914,414</b>	<b>8,634,839,606</b>	<b>407,925,192</b>
<b>DRPT</b>	1,150,737,829	1,026,574,164	(124,163,665)
<b>Ports</b>	60,176,596	57,728,643	(2,447,953)
<b>Aviation</b>	35,309,545	34,740,874	(568,671)
<b>DMV</b>	30,588,390	22,709,710	(7,878,680)
<b>Space Flight Authority</b>	23,575,710	22,696,672	(879,038)
<b>Grand Total</b>	<b>\$ 9,527,302,484</b>	<b>\$ 9,799,289,669</b>	<b>\$ 271,987,185</b>

# CTF State Revenue Details

<b>STATE REVENUE SOURCES</b>	<b>2nd Revised FY 2023</b>	<b>FY 2024</b>	<b>INCREASE (DECREASE)</b>
State Tax on Motor Fuels	\$1,360,700,000	\$1,499,500,000	\$138,800,000
Road Tax	69,200,000	71,200,000	2,000,000
Retail Sales & Use Tax	1,283,900,000	1,388,200,000	104,300,000
Motor Vehicle Sales and Use Tax	1,155,100,000	1,078,200,000	(76,900,000)
International Registration Plan	124,200,000	118,200,000	(6,000,000)
Motor Vehicle Licenses	236,600,000	218,400,000	(18,200,000)
Miscellaneous Revenues	17,200,000	17,600,000	400,000
Motor Vehicle Rental Tax	32,200,000	38,800,000	6,600,000
Aviation Fuels Tax	2,000,000	2,000,000	—
Highway Use Fee	59,700,000	64,400,000	4,700,000
Insurance Premium	202,500,000	214,500,000	12,000,000
Recordation Tax	81,000,000	52,400,000	(28,600,000)
<b>Total</b>	<b>\$4,624,300,000</b>	<b>\$4,763,400,000</b>	<b>\$139,100,000</b>

# Endnotes

<b>Endnote Number</b>	<b>Description</b>
1	Reflects impact of updated state revenue forecast.
2	Previous fiscal year included the use of Revenue Sharing allocations provided previously as a mitigation strategy due to the impacts of COVID-19.
3	General Fund dollars made available in Chapters 1 and 2 (2022 Special Session I) in Fiscal Years 2023 and 2024 for Transportation Initiatives.
4	Reflects change in funds available for the Interstate 81 Corridor Improvement Program and the planned use of debt to deliver projects.
5	Federal revenue update with implementation of Infrastructure Investment and Jobs Act.
6	Allocation adjustments reflect program growth and supplemental funding for the impact of fuel prices on the Maintenance Programs.
7	Additional funding beginning in FY 2024 for studies and advance procurement activities.
8	Program growth and additional Information Technology investment necessary.
9	Toll facility operations adjusted for facility revenue performance and E-ZPass Operations/Violation Enforcement Services.
10	Additional funding provided for Capital Outlay for Hampton Roads District Operational Facilities.
11	Allocation change based on the Six-Year Improvement Program.
12	Off the Top Allocation from the Commonwealth Transportation Fund was provided in FY 2023 for implementation of the 2020 Omnibus Legislation. The change in rail investment of \$83.5 million represents the Transportation Initiatives provided for in the 2021 Appropriation Act, Item 447.10.
13	Additional funding made available from remaining balance of fuel reserves established in FY 2023 and made available for allocation in FY 2024. This balance was \$77,439,086.