

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chair Phyllis J. Randall and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director
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DATE: March 4, 2021

SUBJECT: 2021 Virginia General Assembly Update

Purpose: To provide the Northern Virginia Transportation Authority (NVTA) with an update of the 2021 General Assembly Session transportation matters.

- A number of bills introduced during the 2021 General Assembly session highlight the transportation sector's role in emissions reduction and resiliency. Other proposed legislation would have required a new environmental justice outreach process as part of certain permit requests. Legislators placed an emphasis on electric vehicles and the development of charging infrastructure throughout the Commonwealth, positioning the state for the increasing electrification of the automotive industry, including analysis of how greater electrification impacts energy access and generation. Meanwhile, greenhouse gas emissions were heavily considered, resulting in legislation that will require an evaluation of motor vehicle emissions and the implementation of a low-emissions vehicle standards program starting with the 2025 model year.
- Two bills, [HB 1979](#) and [HB 2118](#), created new programs supporting the use of electric vehicles, but no funds were allocated in the conference budget report. HB 1979 creates a rebate program for the purchase of new and used electric vehicles beginning in 2022 if funds are made available. The program expires January 2027. HB 2118 establishes a grant program to assist school divisions in replacing diesel school buses with electric school buses. If no funds are dedicated via Governor budget amendments, the hope is that funding will be provided for the FY 22-24 biennium.
- Rising sea levels and increased flooding continue to impact policy development, resulting in a number of legislative items aimed at increasing resiliency in the Commonwealth's transportation infrastructure. The Department of Transportation will be involved in developing strategies to mitigate risks to infrastructure and will be required to consider resiliency as a factor when developing its SYIP. The Department of Conservation and Recreation will also be involved in evaluating solutions to mitigate flooding.

The environmental justice bills introduced in 2021 sought to standardize consideration of environmental justice issues within the executive branch, utilizing public outreach and an interagency working group. While this proposed legislation did not survive, the inclusion of these bills in this year's General Assembly session affirms the importance placed on the matter last year with the passage of the 2020 Environmental Justice Act. The Act established § 2.2-235 of the state code, which defines environmental justice as the fair treatment and meaningful involvement of every person, regardless of race, color, national origin, income, faith, or disability, regarding the development, implementation, or enforcement of any environmental law, regulation, or policy. Proposed legislation centering on environmental justice should be expected in future General Assembly sessions.

Transportation Policy and Studies

- [HJ 542](#): Requests the Department of Rail and Public Transportation to conduct a two-year study of transit equity and modernization in the Commonwealth, with emphasis on transit services and engagement opportunities for underserved and underrepresented communities.

Electric Vehicles/EV Charging Infrastructure/Transportation Electrification

- [HB 1850](#): Authorizes EVs powered primarily by electric battery to exceed relevant weight limits by 2,000 pounds as long as the additional weight is due to the power unit. Similar vehicles may also travel on interstates but the total gross weight cannot exceed 82,000 pounds.
- [HB 2282](#): The SCC shall submit a report to the General Assembly, no later than May 1, 2022, recommending policy proposals that would govern public electric utility programs to accelerate widespread transportation electrification in the Commonwealth. The DEQ, DMME, and VDOT will participate. The report will detail public and private investment opportunities in EV charging infrastructure, as well as increased access to electric transportation, improved air quality, and energy storage targets. Beginning July 1, 2021, any approved costs of any investor-owned electric utility associated with investment in transportation electrification may only be recovered through the utility's rates for generation and distribution. These costs may not be recovered through a rate adjustment clause and will not be eligible for a customer credit reinvestment offset.
- [SB 1223](#): Amends the Virginia Energy Plan to include an analysis of EV charging infrastructure and other infrastructure needed to support the 2045 net-zero carbon target in the transportation sector. This will also include: 1) data on the number and type of electric and hybrid electric vehicles currently registered in the Commonwealth; 2) projections of future electric vehicle sales across all vehicle classes, and; 3) an analysis of the impact electrified transit growth on the Commonwealth's electric system.

Emissions

- [HB 1965](#): Directs the State Air Pollution Control Board to implement a low-emissions and zero-emissions vehicle program for motor vehicles with a model year of 2025 and

later. Regulations adopted by the Board to implement the program are exempt from the Administrative Process Act and shall not become effective prior to January 1, 2024. The regulations shall allow any motor vehicle manufacturer to establish a Virginia zero-emission vehicle credit account to be used to offset any inability to meet LEV vehicle delivery to Virginia auto dealers.

- [SB 1282](#): Directs the Department of Environmental Quality to conduct a comprehensive statewide baseline and projection inventory of all greenhouse gas (GHG) emissions and shall update such inventory every four years starting with the October 2022 report.
- [SB 1284](#): Establishes the Commonwealth Clean Energy Policy, which recognizes that addressing climate change requires reducing greenhouse gas emissions in the transportation and infrastructure sectors. The policy supports net-zero emission targets by promoting zero-emission vehicles and infrastructure, decreasing the carbon intensity of the transportation sector, encouraging alternative transportation options, and increasing the efficiency of motor vehicles operating on Virginia's roads.

Resiliency

- [HB 2071](#) / [SB 1350](#): When determining which projects to include in its SYIP, the CTB must consider whether the project has been designed to be resilient. Additionally, the Commissioner of Highways is required to ensure that resiliency is incorporated into the design standards for new construction projects.
- [HB 2187](#): The Commonwealth Center for Recurrent Flooding Resiliency (the Center) shall evaluate the development of a Flood Resiliency Clearinghouse Program for coordinating flood mitigation solutions. The Center will work with the DCR to evaluate solutions that (i) manage both water quality and flooding, and (ii) emphasize nature-based solutions, including stormwater best management practices. The Center will submit a report with results of its findings to the GA by November 1, 2021.
- [Budget Item 446 #2c](#): The Department of Transportation, with the assistance of the Virginia Institute for Marine Science, must complete an annual update on the status of the Coastal Virginia Transportation Infrastructure Inundation Study. The update is due no later than December 1 of each year to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, Chairs of the House and Senate Transportation Committees, Chair of the Joint Subcommittee on Coastal Flooding and Adaptation, and the Secretaries of Transportation and Natural Resources. At minimum, the report must include: 1) an up-to-date identification of at-risk rural, suburban and urban infrastructure; 2) planning and options to mitigate or eliminate the identified risks; 3) a report on what work remains to be completed, and; 4) an estimated time frame for the completion of its work.

Project Funding and Budget

- [Budget Item 430 #1c](#): The Department of Rail and Public Transportation shall use \$3,600,000 in FY 2022 from the Transit Ridership Incentive Program for regional

connectivity programs focused on congestion reduction and mitigation through provision of long-distance commuter routes for urban and rural communities.

2021 Transportation Funding Initiative

- In [Item 447.10#1c](#), the General Assembly combined General Fund money listed in the Governor's introduced budget along with federal COVID relief funding and other unallocated transportation funds to create a one-time multimodal transportation initiative. The project specifics:

Funding sources

- \$233.4 million in COVID federal relief funds
 - \$20 million in uncommitted TPOF money
 - \$15 million uncommitted FY 21 special project funds
 - \$55 million in FY 22 General Funds – as proposed by Governor
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- **Expand Passenger Rail** \$83.5 million to expand passenger rail service from Roanoke to Blacksburg/Christiansburg and increase service frequency along I-81/Rt. 29 Corridor to Washington. DRPT is required to report back to the General Assembly by November 2021. Results from cost estimates of improvements are needed to extend service to Bristol and must model improvements and costs to extend service to Bedford.
 - **Expand Commuter Rail Service** \$83.5 million to improve VRE service on the Manassas Line pending final negotiations with Norfolk Southern.
 - **I-64 Corridor Improvements** \$93.1 million for use along the I-64 Corridor for two priority projects. The first call on funds is to fill any gap for the HRELN only after the updated traffic and revenue report is completed and HR TAC has certified what is needed. If money remains, it will be dedicated to the I-64 expansion missing link from New Kent to Richmond. This measure requires working with CVTA to see if they will be a partner to finance the project.
 - **Metro Related Needs** \$32.4 million to fill the FY 22 gap in Virginia's share of SGR funding via the Metro Capital Fund – estimated to be \$22.4 million. Whatever funds are left can be used to help NO VA localities pay their FY 22 Metro subsidy.
 - **Multimodal Trails Strategy** \$10 million for new regional multimodal trails. Directs OIPI to lead a workgroup to develop a process to identify and prioritize the development of new trails.
 - **Transit Access** \$10 million dedicated to establish a fare-free pilot for urban and rural transit systems. \$900,000 for the transit modernization and equity study called for in HJ 542.
 - **Fund Connected Transportation Pilot** \$10 million for the VT/Falls Church connected demonstration project. Requires an agreement with VDOT for information sharing and knowledge exchange.

- **Further Directions to CTB** The General Assembly requires two reports on use of the funds. One is due November 2021 and the other is due June 30, 2022. Any funds not allocated by June 1, 2021 can be used for road and bridge maintenance. The CTB has flexibility to use existing state revenues if the federal government does not allow use of federal funds for any project listed.

Other Transportation Matters

- [HB 1893](#) / [SB 1212](#): Authorizes the creation of the New River Valley Passenger Rail Station Authority to serve expected new service. The Authority includes all of Planning District 4 and allows revenue sharing agreements and the ability to sell bonds. Comments noted the station would be in Radford. Localities are not required to join.
- [HB 1813](#): Increases the value of highway maintenance and construction projects that can be performed by state or local employees to \$700,000.