

Re Kory's Mistake

From: Gross, Penny  
Sent: Tuesday, September 23, 2014 1:17 PM  
To: Bill Lecos  
Subject: Re: Kory's Mistake

Thanks, Bill. I checked with Tom B and our legis staff this morning and found the same info. While we don't know the effect yet, the freezing of state funds shouldn't affect our plans for future projects, only O&M. Of course, the GA action could be a slippery slope for the overall transportation bill that was passed last year.

Penny

On Sep 23, 2014, at 1:10 PM, "Bill Lecos" <blecos@lecosandassociates.com> wrote:  
Penny,

Kaye got here facts wrong (surprise) last night when she stated that "all the transportation funding was deferred until 2016". I checked on the bill and spoke with another delegate and here are the facts of what the budget revision bill (HB 5010) actually did.

\* 8. Notwithstanding the provisions of § 3-5.09 of Part 3 or any other contrary provision of law, the increase in the portion of the general sales and use tax deposited into the Highway Maintenance and Operating Fund pursuant to the provisions of § 58.1-638 G.2. shall be deferred until fiscal year 2016.

This is the portion of the sales and use tax from the general fund that are transferred to the Highway M&O Fund – it does not impact the revenues generated by the increase in the local sales tax that go to NVTa to fund regional projects nor the local share that goes to Fairfax County.

I called Kaye and informed her of her gross error last night and the need for her to issue a quick and accurate correction of the facts. She will probably try to post on LakeLink. If she doesn't act quickly I will post the correction because I don't want the mis-information to gain credibility through constant repetition on the email chains. I thought it would be most effective if the correction came from her directly.

I will make sure the correct information is shared at the Task Force meeting tonight but wanted you to be aware of situation in case you want to brief Aaron or John Thillman. Here is the relevant section of § 58.1-638 G.2 in case you want to fly it by some one in the county...

G. (Contingent expiration date -- see note) Beginning July 1, 2013, of the remaining sales and use tax revenue, an amount equal to the following percentages of the revenue generated by a one-half percent sales and use tax, such as that paid to the Transportation Trust Fund as provided in subdivision A 1, shall be paid to the Highway Maintenance and Operating Fund:

1. For fiscal year 2014, an amount equal to 10 percent;
2. For fiscal year 2015, an amount equal to 20 percent;
3. For fiscal year 2016, an amount equal to 30 percent; and
4. For fiscal year 2017 and thereafter, an amount equal to 35 percent.

The Highway Maintenance and Operating Fund's share of the net revenue distributable under this subsection shall be computed as an estimate of the net revenue to be received into the state treasury each month, and

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such estimated payment shall be adjusted for the actual net revenue received in the preceding month. All payments shall be made to the Fund on the last day of each month.

BL

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