





COMMONWEALTH of VIRGINIA
Office of the
SECRETARY of TRANSPORTATION

Reform Process

- Following the completion of the 2010 General Assembly Session, the Secretary of Transportation's Office began soliciting reform proposals from a variety of sources.
 - State agencies that fell within the SOT, stakeholders, legislators, and the general public.
- All of the proposals fall into one of four categories: state code initiatives, federal initiatives, administrative/regulatory initiatives, and funding reform.
- In June, once the reforms were compiled, the transportation agencies began submitting the reform ideas to the various boards and commissions that govern transportation in the Commonwealth, and then to stakeholders for comments and feedback.
 - The state code initiatives were submitted for comment first, followed by the federal initiatives.
 - The administrative/regulatory matrix was recently completed and will be submitted for comment later this week.
 - The funding reform initiatives are still in the development process and will be completed later this fall.
 - All of the reforms are or will be posted on the Secretary's website as the process continues (www.transportation.virginia.gov).

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Process Cont.'d

- Moving forward, the Secretary's Office will be reviewing the comments and feedback with the goal of finalizing a list of reforms to present to the Governor later this fall.
- Based on our initial review of these comments and feedback, the Secretary's Office offers the following proposed reforms for the Commission's consideration and recommendation.
- While not unanimously supported in the comments, the majority of these proposals enjoyed widespread support, and they are all geared towards generating new efficiencies and reducing costs to better enable the Commonwealth's transportation agencies to address our transportation challenges.
- It is also important to note, that these are just ideas at this point – they have not yet been vetted through the normal legislative drafting process.

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Initiative 1

- Eliminate requirement to advertise RFPs in newspapers
- Code Section: § 2.2-4301
- Currently Administered: VDOT is required to advertise consultant RFPs in one statewide, one local, and one minority newspaper when available. VDOT also posts RFPs on VDOT's website and on eVA.
- Proposed Change: Eliminate requirement to advertise RFPs in newspapers.
- With today's modern technology, RFPs are often up on the website and eVA before they make it into the papers. Eliminating this duplicative requirement would reduce the costs associated with advertising RFPs and would save time by no longer having to wait until RFPs are advertised in the paper before proceeding further into the process.

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Initiative 2

- CTB Contract Approval Threshold
- Code Section: § 33.1-12(2)(a)
- Currently Administered: The Commissioner and the Director of DRPT are able to let contracts under \$2 million, but the CTB must approve any contract over \$2 million. The threshold applies to locally administered projects.
- Proposed Change: Increase the threshold from \$2 to \$5 million and ensure that it does not apply to locally administered projects.
- Most projects fall under the \$5 million mark. The change would enable the Commissioner and Director to let more contracts in a more timely manner, rather than having to wait for CTB approval, and would potentially enable the CTB to meet on a less frequent basis.

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Initiative 3

- CTB/Commissioner Concurrence in Local Contract Awards
- Code Section: § 33.1-12(2)(a)
- Currently Administered: The Commissioner and the Director are empowered to enter into agreements with localities for locally controlled projects. Chapter 919 of the 2005 Acts of Assembly amended this Code section to clarify its applicability to projects administered by VDOT and DRPT. VDOT's interpretation has been that it did not change local delegation of authority for contract award.
- Proposed Change: Amend the Code to clarify that when the Commissioner or Director enter into an agreement with a locality, the locality does not need CTB approval regardless of project cost.
- There is currently some confusion among the localities as to whether or not they need CTB approval for contracts over \$2 million when they enter into an agreement with VDOT or DRPT.

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Initiative 4

- Single Reporting Requirement
- New Code section required
- Currently Administered: VDOT prepares several different reports throughout the course of the year including: cash balances of the Route 58 Corridor Development Fund; all actions involving privatization, outsourcing, and downsizing; condition/needs for maintaining transportation infrastructure; and, the current status of all highway construction projects (Dashboard and SYIP websites meet requirement).
- Proposed Change: Require only one report for each transportation agency due to the Governor and General Assembly by November 30th each year. The report would not include the current status of all highway construction projects, but would include all other applicable reports.
- Would streamline reporting requirements and reduce staff time expended on preparing the various reports.

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Initiative 5

- Eliminate Surplus Declaration of Excess Right-Of-Way
- Code Section: § 33.1-149 and 33.1-154
- Currently Administered: The CTB must declare excess right-of-way as surplus before VDOT may sell the land.
- Proposed Change: Eliminate this requirement and allow VDOT to sell excess right-of-way subject to the Chief Engineer's approved design.
- The change will reduce to amount of time required to sell excess right-of-way and reduce the staff time and costs associated with preparing materials for the CTB.

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Initiative 6

- USPS for Property Owner Notification
- Code Section: § 33.1-94
- Currently Administered: Officers or agents of VDOT and DRPT are allowed to enter any land in the Commonwealth in conjunction with highway or transportation work. At least 15 days prior to the first date of entry, VDOT and DRPT must send notices to each owner by certified mail.
- Proposed Change: Amend the Code to allow VDOT and DRPT to send notices via 1st Class Mail.
- Since 2007, the total statewide estimated costs of complying with this statute are \$150,935.10. Amending the Code section would greatly reduce the costs associated with complying with this statute.

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Initiative 7

- Certified Mailings
- Code Section: § 46.2-320, 46.2-355.1, 46.2-416, 46.2-501, 46.2-2011.26 and 46.2-2136
- Currently Administered: DMV is required to send notices of suspension/revocation of licenses and mandatory DI clinic attendance by certified mail.
- Proposed change: Amend the Code so that such notices may be sent by 1st Class Mail.
- In 2009, DMV mailed 172,232 DL and DI clinic suspension and revocation notices and 8,178 motor carrier suspension and revocation notices by certified mail at a rate of \$4.34 each for a total cost of \$782,979. If they were mailed at the 1st Class Rate of \$.38 each, the costs would have been \$68,555. Mailing by 1st Class Mail would have saved \$714,424.

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Initiative 8

- Business License Plates
- Code Section: Title 46.2, Chapter 6
- Currently Administered: DMV currently does not offer this type of license plate.
- Proposed Change: Secure authorization from the GA for issuance of license plates bearing business logos. The authorization would be similar in nature to the college license plate statute, in that it would set forth specific criteria for businesses to meet to be eligible for the plates, but would not require a separate authorization for each individual business plate.
- These plates would serve as another revenue generating tool, while at the same time provide businesses with another affordable advertising method and promote business in the Commonwealth.

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Initiative 9

- MVDB Membership
- Code Section: § 46.2-1503.C
- Currently Administered: The VDACS Commissioner currently serves on approximately 30 agriculture and industry boards that fall within VDACS' purview. His or her first priority is to these boards, resulting in infrequent attendance to the MVDB.
- Proposed Change: Amend the Code to enable the VDACS Commissioner to appoint a designee from the Consumer Services Division to attend MVDB meetings.
- The change would enable VDACS to serve its intended function on the board, representing consumers, while taking the pressure off of the Commissioner to attend.

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Initiative 10

- Transaction Recovery Fund
- Code Section: § 46.2-1527
- Currently Administered: Consumers may collect up to \$20,000 for any loss or damage in association with the purchase or lease of a vehicle. Dealers in business less than 3 years are required to hold a \$50,000 bond.
 - When a judgment is issued against a dealer in business less than 3 years, the consumer goes to the dealer to collect his/her judgment from that bond. When the bond is exhausted, or when a dealer is in business for longer than three years, the judgment comes from the TRF.
- Proposed Change: Amend the Code to clarify that the maximum recoverable amount from the bond or the TRF is \$20,000.
- Recently, an individual tried to claim that he could recover the \$50,000 bond and \$20,000 from the TRF. The OAG recommended clarifying this ambiguity in the Code.

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Initiative 11

- Exemption of Farm Machinery From Weight Limitations
- Code Section: § 46.2-11-2
- Currently Administered: Size limitations do not apply to any farm machinery or agricultural multipurpose drying unit when such machinery is temporarily propelled, hauled, transported or moved on the highway in the ordinary course of business by a dealer or farmer.
- Proposed Change: Amend the statute to clarify that it exempts all farm machinery from both size and weight limitations.
- DMV has construed this provision as applying to weight limitations as well. VSP and OCA have recently interpreted the law to grant exemptions for size only. The change will promote business in Virginia and help Virginia's farmers.

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Initiative 12

- Vehicle Registration Decals
- Code Section: § 46.2-221.4, etc.
- Currently Administered: Month and year registration decals are issued to all passenger vehicles. Trailers and semitrailers (more than 26,000 lbs), taxicabs and common carriers, and farm vehicle tags are considered permanent and are exempt.
- Proposed Change: Amend all applicable sections of the Code to remove any reference to decal.
- This change would eliminate all functions associated with inventory for decals for CSCs, HQ, DMV Selects, online vendors, etc. It would also enable DMV to print registrations on regular stock paper resulting in an annual savings of up to \$700,000. Many law enforcement agencies are using plate readers to access up-to-date information, but DMV would be willing to give some cost savings to law enforcement to purchase readers. There are also grant funds available.

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Initiative 13

- Privatize Behind the Wheel (BTW) Driver's Education; DMV to Regulate
- Code Section: § 22.1-205, 46.2-332 and 58.1-2403
- Currently Administered: DMV licenses and regulates commercial driver training schools that provide both classroom and BTW training. DOE oversees both classroom and BTW training for the private/public school systems and is responsible for the development of classroom curriculum.
 - The \$3 learner's permit fee and \$1.50 from each original/renewal license are transferred to DOE's driver education program.
- Proposed Change: Privatize the BTW component of driver education. DMV would be responsible for licensure/regulation, and DOE would continue to be responsible for the curriculum. Transfer a portion of the fees to DMV for administrative costs.
- Privatizing this function would consolidate all BTW training in one agency and would be one less program for DOE to manage with a reduced staff and budget. Many localities are dropping BTW because of the associated costs. This proposal would also necessitate the creation of new jobs to meet the increased demand.

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Initiative 14

- Eliminate the Rail Advisory Board
- Code Section: § 33.1-391.3:1
- Currently Administered: The RAB is tasked with advising the Director of DRPT and the CTB on allocations from the Rail Enhancement Fund and all matters regarding rail.
- Proposed Change: Eliminate the Board.
- The RAB has no authority to allocate funds or approve projects and serves solely in an advisory capacity. The CTB allocates funds and approves projects, typically based on presentations from DRPT staff. DRPT staff expends significant resources preparing materials for the RAB on the occasions that it meets. Further, the NCVA Compact has now been constituted, with Sen. Watkins as chair. It will be pursuing funding from the GA in the coming session, and serves as a legislatively created advisory board on rail issues.

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Initiative 15

- Northern Virginia Transportation Group Consolidation
- Code Section: § 15.2-4829 – 4840 and 15.2-4501.1
- Currently Administered: Within Planning District 8, there are three separate organizations carrying out similar tasks: the Northern Virginia Transportation Commission, the Potomac Rappahannock Transportation Commission and the Northern Virginia Transportation Authority. All three are tasked with developing a transportation plan, and they all may construct, acquire, contract, etc. for transportation facilities. They may all also issue debt in the form of bonds.
- Proposed Change: Consolidate these three organizations into one group tasked with addressing transportation challenges in Northern Virginia.
- The consolidation would create greater efficiencies and a more unified approach to addressing transportation in Northern Virginia. It would also reduce the amount of time and money spent on staffs and legislators preparing for meetings.

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Initiative 16

- Inmate Labor at Rest Areas
- Code Section: § 53.1-56 and 53.1-57
- Currently Administered: Persons sentenced to the DOC are allowed to be employed in the construction and maintenance of the primary and secondary road systems. The Commissioner is empowered to establish a program whereby person convicted of nonviolent misdemeanors with a suspended sentence or probation can meet their community service requirements by performing maintenance work.
- Proposed Change: Amend the Code to allow persons sentenced to DOC to perform maintenance activities along the Interstate Highway System.
- Current OAG and VDOT Interpretation, as well as a VDOT MOU with DOC, prohibit inmate labor from being used along the Interstate Highway System. This change would lead to a reduction in the costs associated with maintaining the Commonwealth's rest areas.

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Initiative 17

- Stormwater Utility Fees/Management
- Code Section: § 15.2-2115 and 4 VAC 50-60
- Currently Administered: Municipalities are permitted to charge stormwater utility fees for the maintenance of stormwater management facilities. Typically, VDOT rights-of-way have been exempt. Further, new regulations adopted by the General Assembly, for which implementation has been delayed, do not address the differences between site development and linear development.
- Proposed Change: Amend the Code to exempt VDOT rights-of-way from stormwater utility fees, and examine a means of limiting fees on other VDOT owned properties. VSMP regulations need to include specific language and requirements addressing the uniqueness of linear development.
- Imposition of fees will greatly increase VDOT's costs of maintaining and constructing highways throughout the Commonwealth, and the regulations will increase the type and number of management facilities required for VDOT.

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Questions?

For more information on the Department's activities, please visit our website at www.transportation.gov. You can also contact us by phone at 202-366-4343 or by email at publicaffairs@dot.gov.

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