



Commonwealth Transportation Fund Distribution

VPRA Funding Overview

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Senate Finance and Capital Outlay Subcommittee

January 23, 2026



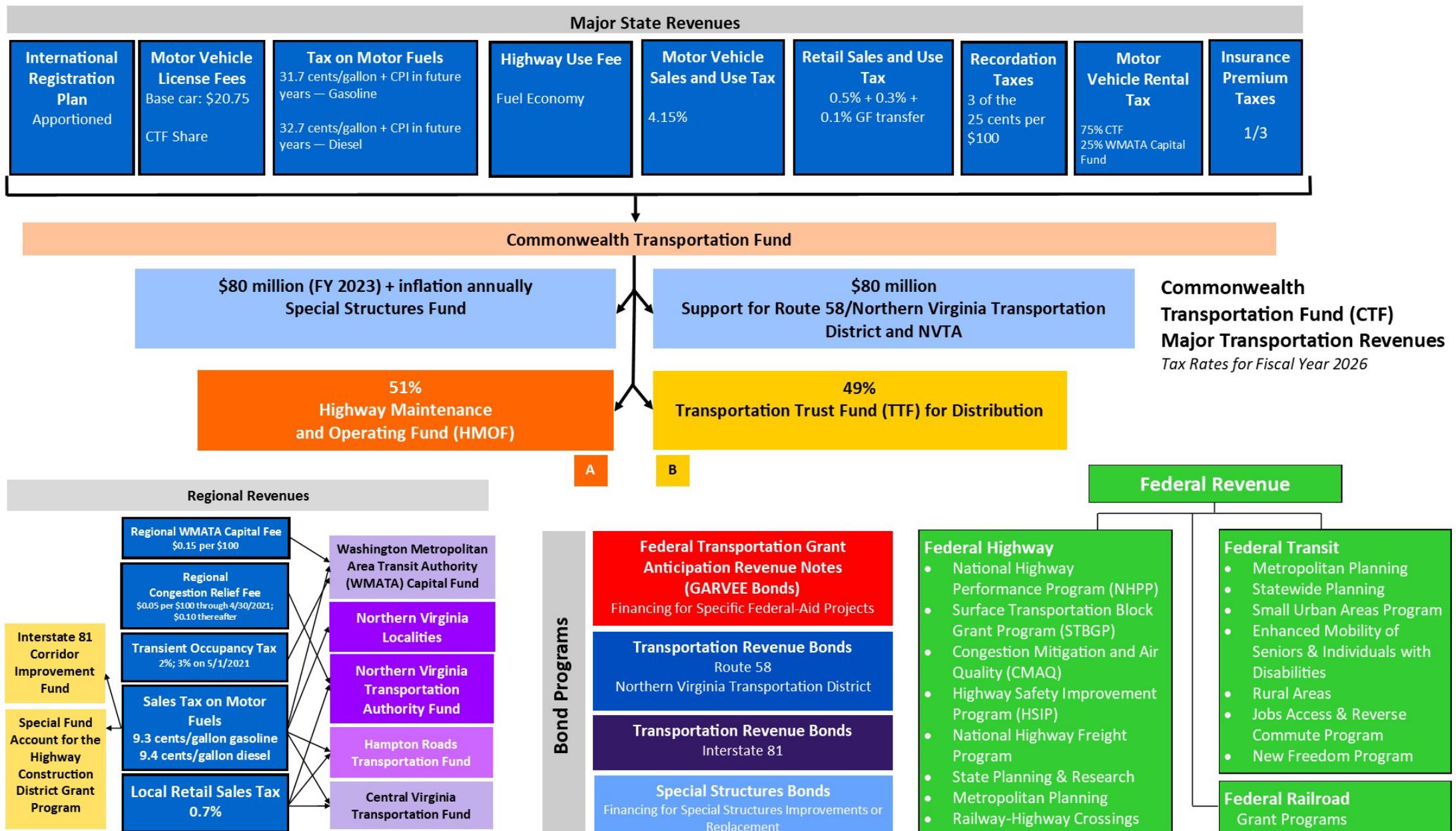
Commonwealth Transportation Fund (CTF)

Revenue

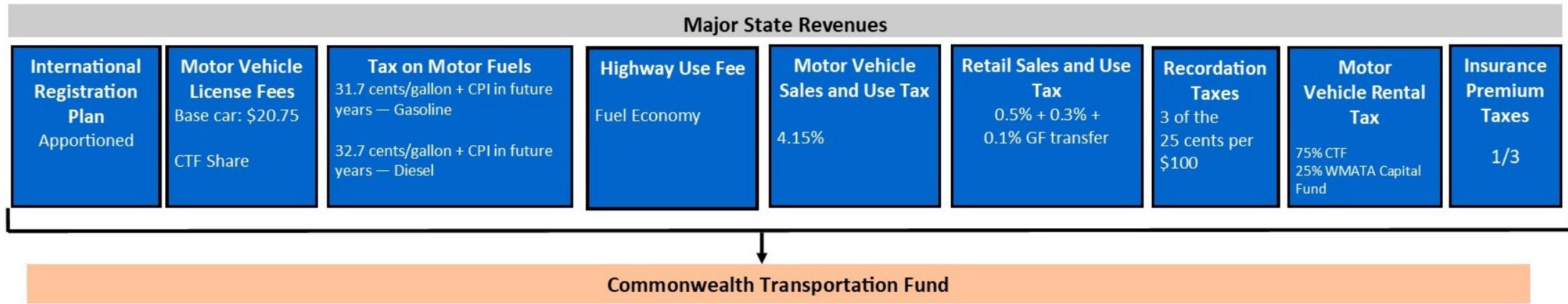
- Chapters 1230 and 1275 of the 2020 Acts of Assembly revised the composition of, and increased available state revenues for, transportation funding in the Commonwealth
- The CTF serves as the fund to which all major transportation revenues are deposited and then distributed to programs and funds
- State funding is provided by a wide array of user fees and taxes:
 - State Fuels and Diesel Tax
 - Motor Vehicle Sales and Use Tax
 - Retail Sales and Use Tax
 - Motor Vehicle Registration Fees
 - Highway Use Fee
 - Recordation Tax
 - Motor Vehicle Rental Tax
 - Insurance Premium Taxes
 - International Registration Plan



FY26 Transportation Revenue



Major State Revenue



FY 2026 Estimate: \$5.25 billion

Highlights

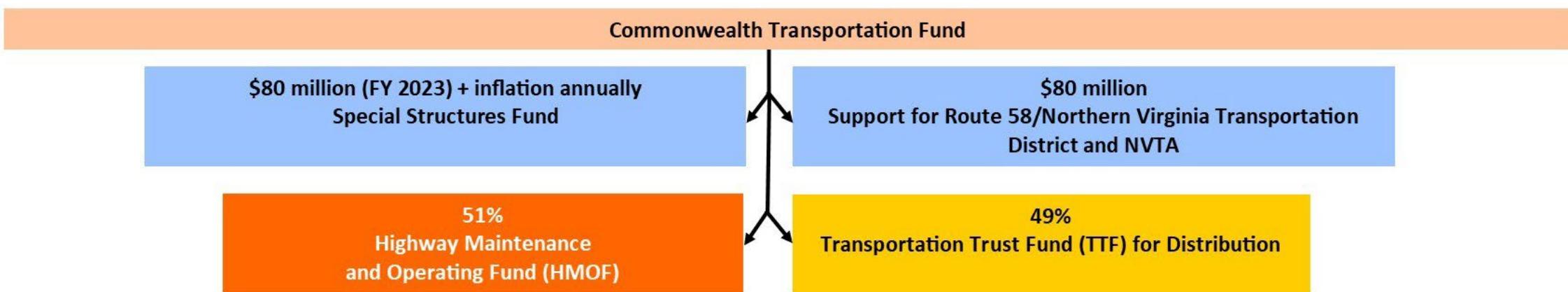
- Statewide Tax on Motor Fuels – Set as cents/gallon in FY 2021; rate adjusts annually.

Current rates:

- 31.7 cents/gallon – Gasoline
- 32.7 cents/gallon – Diesel
- Motor Vehicle Sales and Use Tax – 4.15%
- Retail Sales and Use Tax – 0.8% of the 5.3% statewide with 0.1% transfer from General Fund Share
- Highway Use Fee – New source since FY 2021

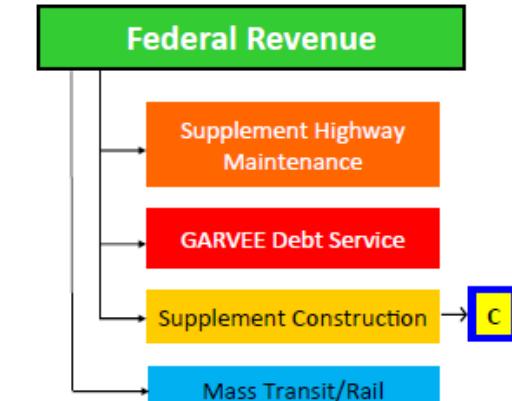
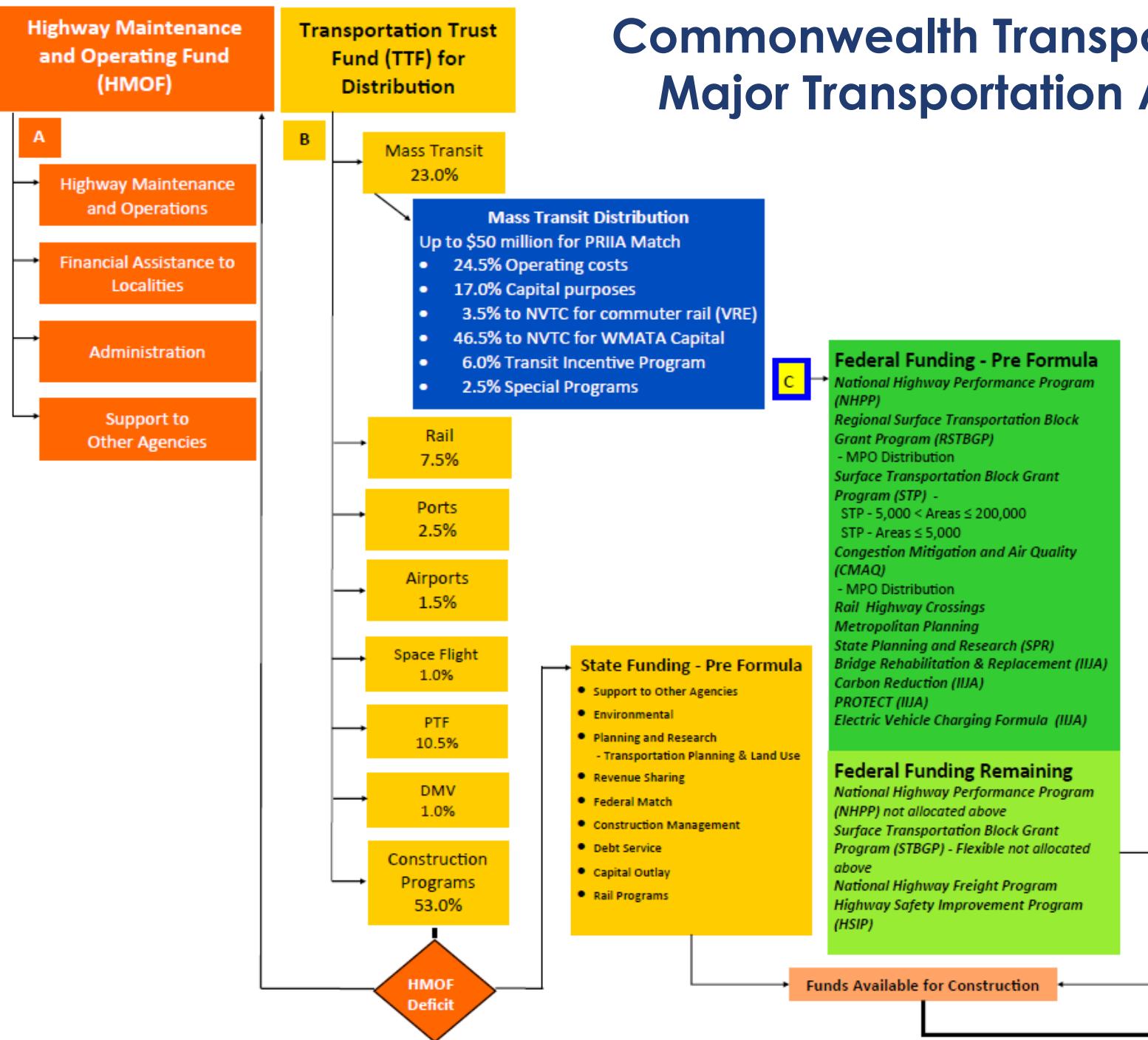
Distribution of Funds from the CTF

- Before Funds are distributed from the CTF to the Transportation Trust Fund (TTF) and the Highway Maintenance and Operating Fund (HMOF), certain amounts are directed as follows:
 - \$40.0 million annually will be deposited into the Route 58 Corridor Development Fund
 - \$40.0 million annually will be deposited in the Northern Virginia Transportation District (NVT) Fund and
 - \$80.0 million annually (as adjusted annually based on changes in the consumer price index for urban consumers) will be deposited into the Special Structures Fund. (\$89.9 million in FY 2026)
- The remaining funds in the CTF are then allocated 51% to the HMOF and 49% to the TTF.



Commonwealth Transportation Fund

Major Transportation Allocations



§ 33.2-358. Allocation of funds to programs.

- State of Good Repair Purposes 30.0%
- High-Priority Projects Program 20.0%
- Highway Construction District Grant Program 20.0%
- Interstate Operations and Enhancement Program 20.0%
- Virginia Highway Safety Improvement Program 10.0%

Allocation and Distribution of HMOF and TTF

Highway Maintenance & Operating Fund (HMOF)

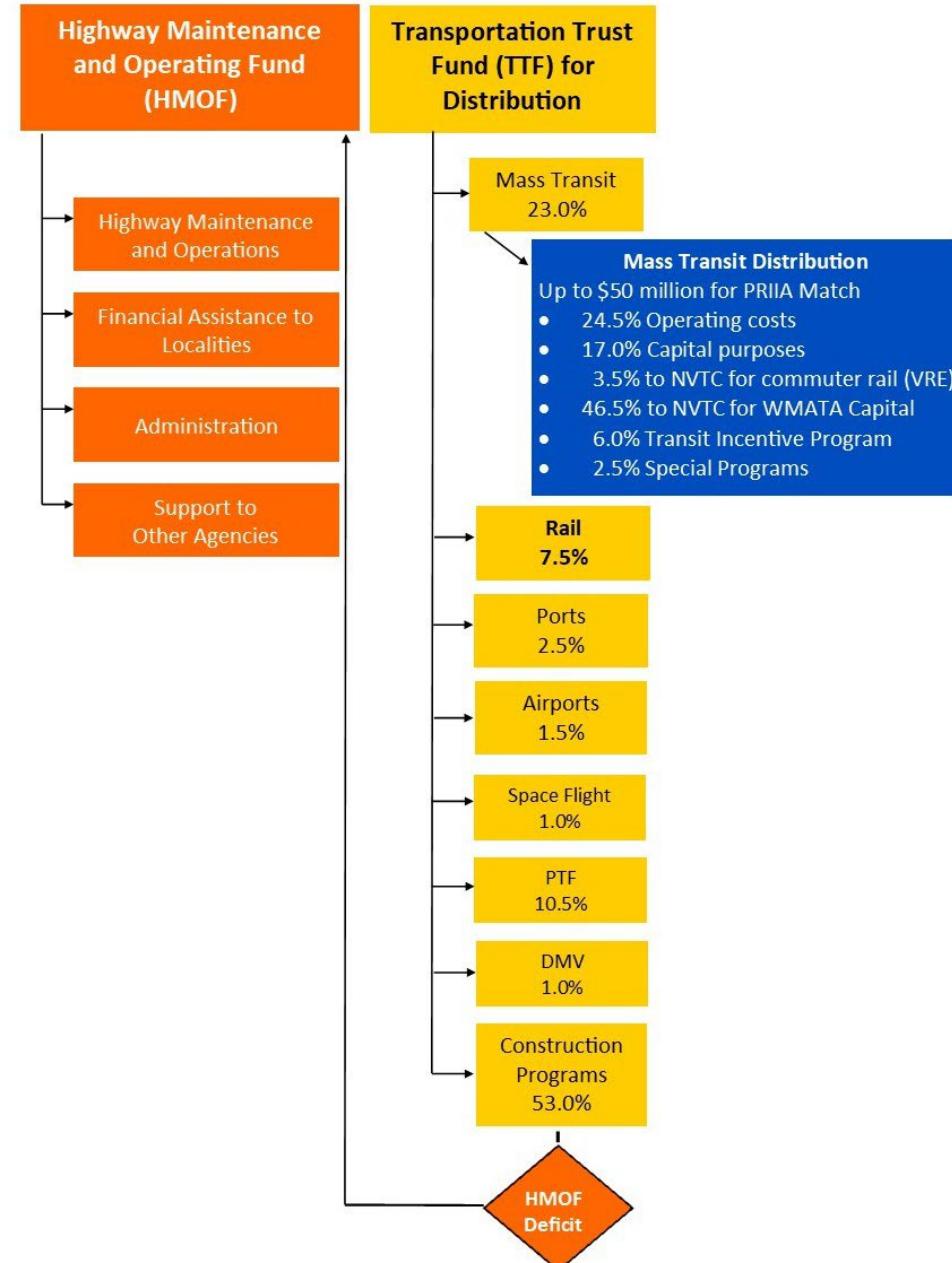
- VDOT Highway Maintenance & Operations
- Financial Assistance to localities
- Administration
- Support to Other Agencies

Transportation Trust Fund (TTF)

- Formula from Code of Virginia to support all modes and DMV (Administration)
- Construction Programs' share supports any deficit of the HMOF, budgeted for each year

Commonwealth Rail Fund

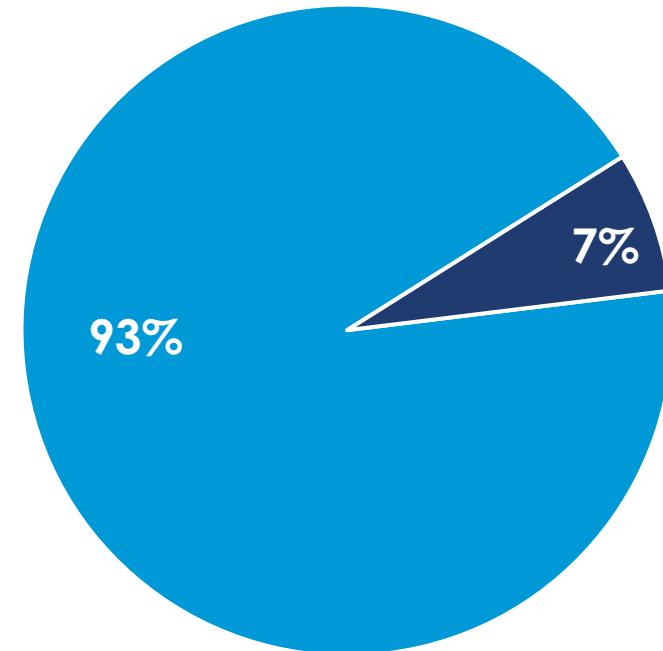
7.5% from the TTF



Commonwealth Transportation Funding Dedicated to VPRA

Distribution of 7.5% share of TTF dedicated to Commonwealth Rail Fund

- Virginia Passenger Rail Authority
- Department of Rail and Public Transportation



| \$ in Millions | Previous Years | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 | Total |
|---|----------------|-------|-------|-------|-------|-------|-------|----------|
| Commonwealth Rail Fund Allocation to VPRA | 780.6 | 172.2 | 174.0 | 179.3 | 184.4 | 186.9 | 186.9 | 1,864.30 |

Approved
FY 26
Budget

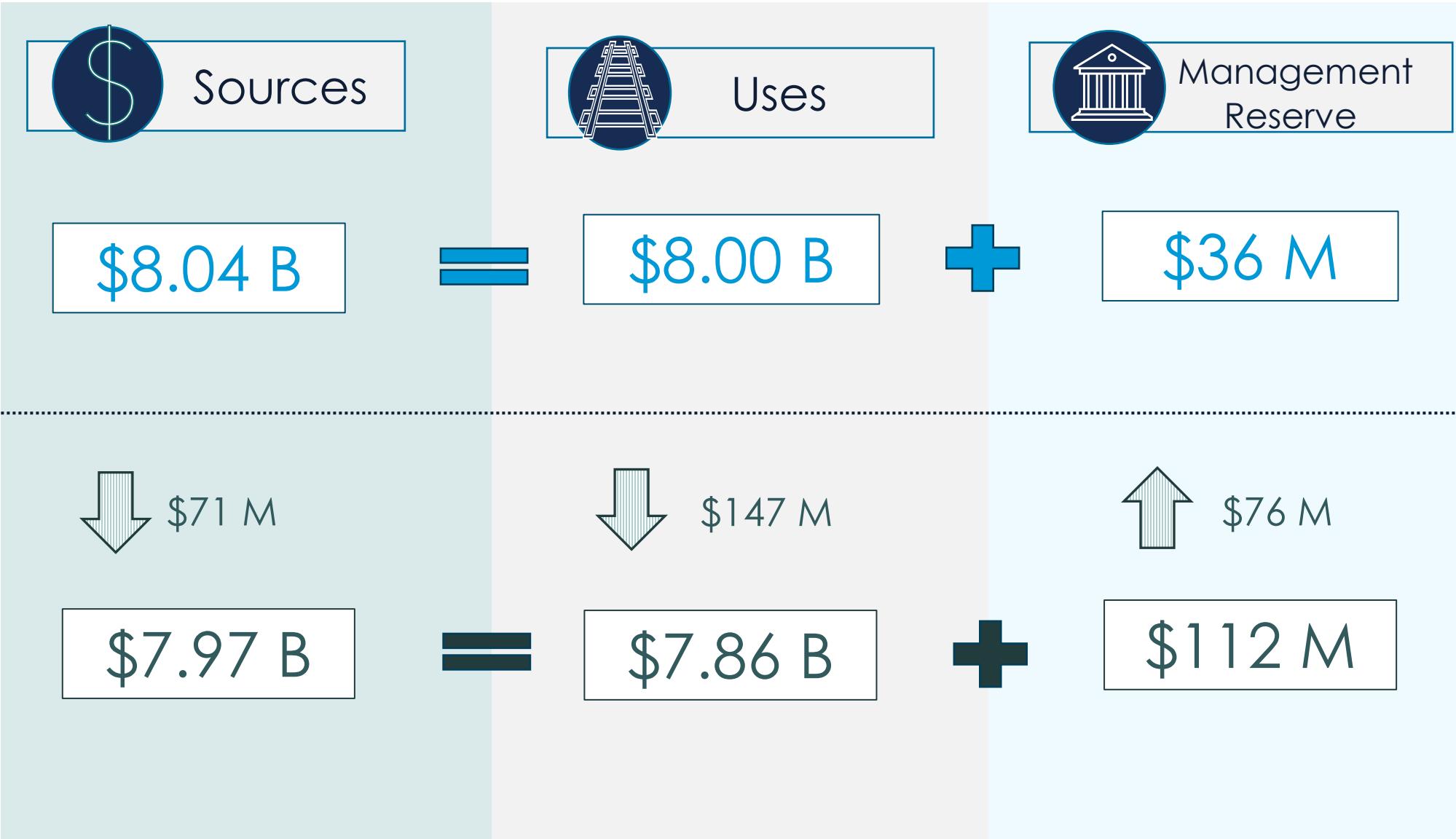


FY27 Financial Plan

Inception through FY31

October
FY2026
Financial
Plan
FY21-FY31

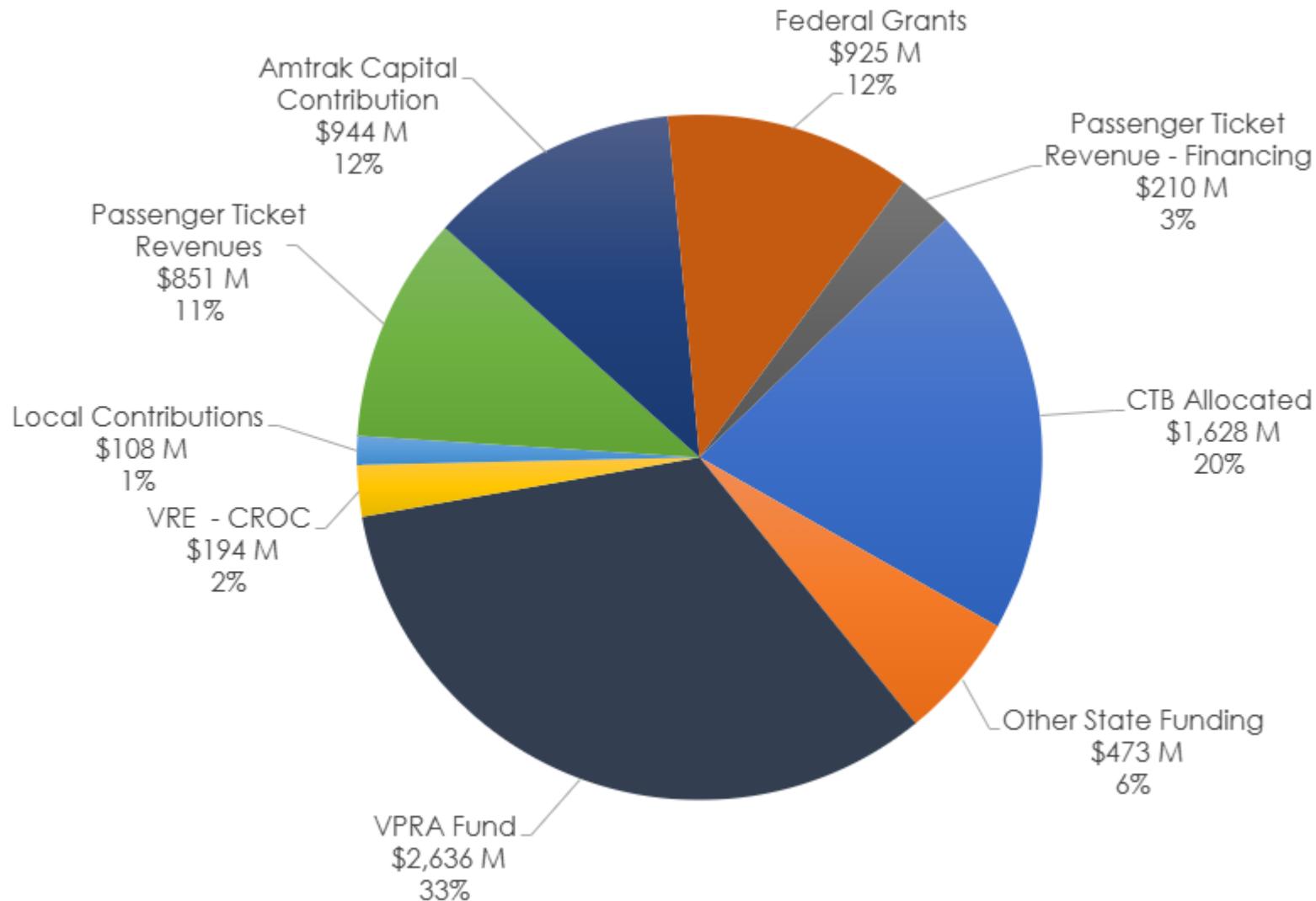
January
FY2027
Financial
Plan
FY21-FY31



Funding Sources through FY31

\$7.97B*

*Per FY27
Recommended
Budget





THANK YOU

Questions?