COMMONWEALTH of VIRGINIA
Office of the
SECRETARY of TRANSPORTATION

State Budget Update

June 2026

Deputy Secretary of Transportation Carter Hutchinson

Overview

- **This presentation is to inform the CTB about the transportation components of the latest status update on the Commonwealth's budget. No action is needed.**

- June 12: The House Appropriations Committee published new proposed amendments to the state budget.

- The proposed budget amendments from the House for Fiscal Year 2027-2028 include:

  - Support for Metro capital and operating needs;
  - Flexibility to preserve the ability to offer 14 toll free trips per week for low income drivers to cross the Downtown and Midtown Tunnels;
  - Department of Rail and Public Transportation to study opportunities for Transit Oriented Development;
  - Funds for HJ28 Subcommittee to study and report on the status of transit in Hampton Roads

Meeting Virginia's Metro Funding Needs

- **Operating Expenses:** To reduce pressure on property taxes in Northern Virginia, *Item 433 #5h* would provide $153M to address 50% of the increase in operating needs for Metro for FY2027-2028.

- **Capital and Operating Expenses:** For cities and counties within Planning District 8, *Item 4-14 #3h* would expand the authorized use of revenues for the new local option 1% sales and use tax to public transportation and/or school construction in order to address public transit needs, including Metro, in Northern Virginia.

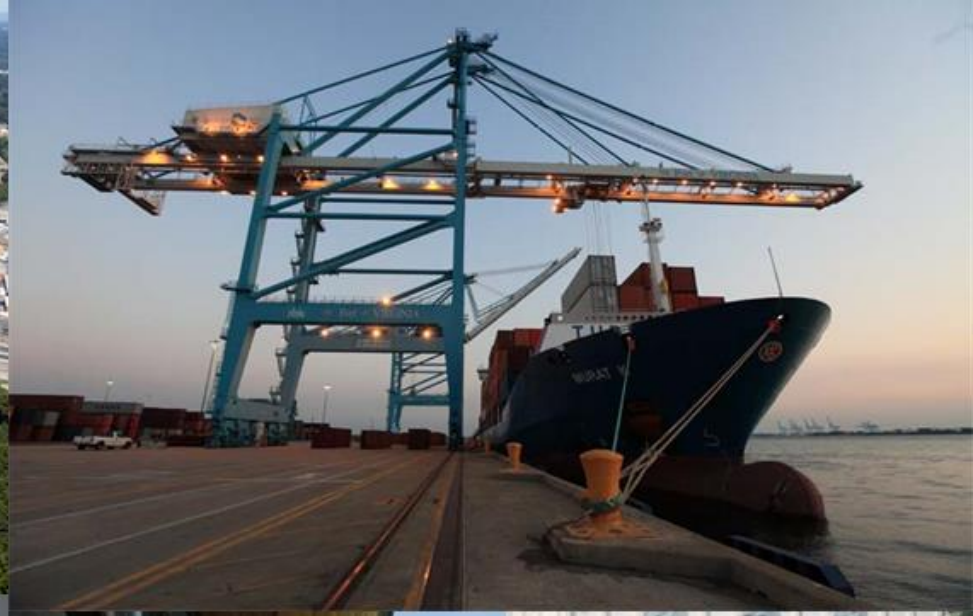
- *Item 4-14 #3h* provides an affirmative requirement on the cities and counties that comprise the Northern Virginia Transportation Commission (NVTC) to fund their proportionate share of Metro capital costs.

- *Item 4-14 #3* would also require Metro to report on operating and capital costs, and to contain future cost increases to less than three percent annually.

Other Budget Components Related to Transportation

- Needed flexibility for VDOT to ensure low-income drivers can continue to receive 14 toll free trips per week through the Downtown and Midtown Tunnels. *(Item 441 #1h)*
- Department of Rail and Public Transportation (DRPT) to conduct a statewide review identifying opportunities for transit-oriented development near existing and proposed transit and rail stations. *(Item 435 #1h)*
- Evaluate options to accelerate large-scale improvements to the Interstate 81 corridor. *(Item 420 #2h)*
- Funding for DRPT to support HJ28 Subcommittee study of transit in Hampton Roads. *(Item 433 #1h)*
- Secretary of Transportation to examine opportunities to improve highway safety through ticket reciprocity with D.C. and Maryland. *(Item 420 #3h)*







Passes
BROADWAY

