

Revenue Sharing Program

- Section 33.1-23.05 of the Code of Virginia, states the Revenue Sharing Program can provide up to \$50 million and each locality may request up to \$1 Million.
- The Revenue Sharing funds will be used to match locality funds for improvement, construction, or reconstruction of the highway systems within a county, city or town. This includes the primary, secondary and urban systems of highways. A locality may request funds for a project in another locality.
- The Revenue Sharing Program may be used to finance eligible work on a locality's highway systems.
- The Revenue Sharing Program is intended to provide funding for relatively small, immediately needed improvements or supplement funding for larger projects.
- Ideally, funds should be used in the same fiscal year they are received. Project work utilizing the Revenue Sharing funds must be initiated within 2 subsequent fiscal years of the date of allocation of funds.
- Detailed descriptions of the types of work eligible for Revenue Sharing funds can be found in the Guide to the Revenue Sharing Program. These include:
 - Deficits on Completed Construction, Reconstruction or Improvement Projects
 - Supplemental Funding for Projects Listed in the Adopted Six- Year Program Plan
 - Construction, Reconstruction or Improvement Projects not included in the Adopted Six-Year Plan
 - Improvements Necessary for the Acceptance of Specific Subdivision Streets Otherwise Eligible for Acceptance into the System for Maintenance (Rural Addition)
 - New Hardsurfacing (Paving)
 - New Roadways
- If a city or town maintaining its own streets, or a county wants to participate in this Program, the City or Town Council or Board of Supervisors must provide VDOT with a Revenue Sharing application and resolution by. Towns not maintaining their own streets must submit their requests as part of the application from the county in which they are located.
- All localities are being encouraged to work directly with the Residency, Urban Program Manager or other designated VDOT Representative selecting the projects for the Revenue Sharing Program. Once notified a locality is interested the local contact will need to work closely with the locality to work out details. All applications must be sent to the Residency Administrators or Urban Program Managers for review and approval before submittal so allow extra time for this prior to the deadline.
- Upon receipt of the requests, the assigned VDOT manager will review the application from the localities. Once the localities' requests are found to be acceptable, the Local Assistance Division will prioritize the requests as delineated in Section 33.1-23.05.B of the Code of Virginia.
- Priorities for funding are divided into four tiers. Tier one will be fully funded before any funds are available for tier two, tier two will be fully funded before funding is available for tier three, etc. If funds are depleted in the first tiers, no further funds will be available.
- For all tiers, if requests within a tier exceed available revenue sharing funds, all projects within that tier will be prorated based on the total requests for that tier. Each project is considered individually to determine appropriate tier.
 - Tier one provides funding when the project is administered by the city, county, or town. Local administration must include all remaining phases of the project. The locality may request VDOT perform certain services on a reimbursement basis and VDOT may agree based on resource availability.
 - Tier two provides funding when the governing body commits more general funds than required for their match.. When a locality commits additional funds, those must be spent prior to any Revenue Sharing matching funds.
 - Tier three projects may receive funds when the allocation will accelerate an existing project in the Six-year Improvement Program or the locality's capital plans.
 - Tier four projects include any other requests that the governing body has offered a matching allocation for. These are funded from any funds remaining.
- Each locality will be notified of all approved projects and any contingencies that must be met to receive the funding.