

Department of Planning and Budget 2004 Fiscal Impact Statement

1. Bill Number HB1011

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Rust

3. Committee Appropriations

4. Title Transportation construction and maintenance.

5. Summary/Purpose:

Amends Title 33.1 concerning the current interstate, primary, urban, and secondary system of highway alignment to statewide, regional, and local highway system alignment. Bill also deals with Commonwealth Transportation Board membership, bridge funding, planning, the establishment of seven transportation districts, and programming issues.

7. Budget amendment necessary: Yes, to shift funding between various programs and subprograms.

8. Fiscal implications:

If the nine transportation districts are adjusted to seven regions, then the Department of Transportation (VDOT) may incur costs in changing the location of some services; moving staff; potential disposal/acquisition of buildings; WTA and unemployment costs; administrative costs to review and revise printed documents, maps, reference materials; and, other costs, such as additional travel time.

In addition, the elimination of the unpaved road fund would deprive some counties with a significant portion of secondary road allocations access to funding. This loss could be offset to some extent by the new distribution plan for local funds, but the exact effects aren't known at this time.

However, there could be some savings associated with the consolidation of the nine districts to seven regions. If VDOT restructures the new regions to eliminate the need for duplicative positions and functions of the existing districts, then there could possibly be savings.

The bill does not change the level of funding available for construction funding for distribution. However, the level of funding each city, town, and county currently receives, may change and, therefore, could impact the six-year construction program.

It should be reemphasized that this analysis is preliminary and that the full fiscal impact and savings associated with this bill would require further study.

9. Specific agency or political subdivisions affected: The Department of Transportation, and counties, cities, and towns throughout the Commonwealth.

10. Technical amendment necessary: No.

11. Other comments: The bill incorporates recommendations made in the Joint Legislative and Review Commission's (JLARC) 2001 study, "Equity and Efficiency of Construction and Transit Funding," and would have significant effects on how funding is allocated throughout the Commonwealth. The report noted that over \$160 million in additional funding each year would be required to "hold harmless" all jurisdictions when converting from the traditional primary, secondary and urban systems to the statewide, regional, and local system.

Date: 02/11/04 / jlm

Document: (DPB G\ Leg 04\HB1011.DOC)

cc: Secretary of Transportation