



JOINT LEGISLATIVE AUDIT AND REVIEW COMMISSION

Fiscal Impact Review

2006 Session

Bill Number: HB1365 as Introduced
Review Requested By: Delegate Wardrup

JLARC Staff Fiscal Estimates

Fund Source	FY 2007	FY 2008
<u>Dollars</u>		
General Fund	\$469,000	\$450,000
Non-General Fund	\$0	\$0
<u>Positions</u>		
General Fund	4	4
Non-General Fund	0	0

HB 1365 creates the Joint Commission on Transportation Accountability to provide legislative oversight of State agencies with transportation responsibilities. The commission would be composed of six members of the House of Delegates, four members of the Senate, and the Auditor of Public Accounts, ex-officio. The bill also provides for hiring staff, and retaining consultants and advisors.

Costs estimated for the commission in this Fiscal Impact Review are based on the costs of similar legislative commissions as currently funded. Personnel costs were based on a staff of four positions, including the director. In addition to salaries and fringe benefits, the commission is assumed to incur operating expenses and the costs of member per diems for six meetings per year. Start-up costs for furniture and equipment are included only in the first year of the biennium.

The bill provides for the commission to retain consultants and advisors to assist with the evaluation of financing and project management of Public-Private Transportation Act projects. The estimated costs in this FIR do not include any funds for such consultants. The costs for consultants would be in addition to the normal operating expenditures for the commission.

An explanation of the JLARC staff review is included on the following pages.

Authorized for Release:

Philip A. Leone
Director

Background

Bill Summary: HB 1365 creates the Joint Commission on Transportation Accountability to provide legislative oversight of State agencies with transportation responsibilities. The commission would be composed of six members of the House of Delegates, four members of the Senate, and the Auditor of Public Accounts, ex-officio. The bill also provides for hiring staff, and retaining consultants and advisors.

Discussion of Fiscal Implications: HB 1365 creates an 11-member commission of the General Assembly with a full-time staff to provide oversight of the State agencies responsible for transportation programs. The costs associated with the commission as estimated in this Fiscal Impact Review assume a staff of four positions and operating expenditures consistent with other legislative commissions. The estimated first year costs also include the purchase of furniture and equipment.

Personnel costs for a director, senior analyst, analyst, and assistant include salaries, fringe benefits at 20.05 percent of salary, health insurance costs for the basic benefit with family coverage, and the State deferred compensation match. These costs total about \$357,000 in FY 2007, and \$369,000 in FY 2008.

Operating expenses include rent, staff travel, supplies, postage, phone service, insurance, and related items. These costs are estimated at about \$62,000 in FY 2007, and \$64,000 in FY 2008. Assuming the commission meets six times per year, member per diems and travel costs are estimated at \$16,000 in FY 2007 and \$16,000 in FY 2008.

One-time costs associated with creating a new staff organization include the purchase of furniture, phones, computers, a printer, and a copier. These costs for a staff of four total about \$34,000, and are incurred only in the first year.

Total operating costs for the commission are estimated to be \$469,000 in FY 2007 and \$450,000 in FY 2008.

The bill provides for the commission to retain consultants and advisors to assist with the evaluation of financing and project management of Public-Private Transportation Act projects. The estimated costs in this FIR do not include any funds for such consultants. Such costs would be in addition to the normal operating expenditures for the commission.

Budget Amendment Necessary: Yes. General fund appropriations to the commission for its operations in each year of the biennium.

Agencies Affected: Joint Commission on Transportation Accountability.

Date Released, Prepared By: 02/22/2006; Glen Tittermary