

Virginia Department of Transportation

2006 Fiscal Impact Statement

1. Bill Number: HB 5069

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Lingamfelter, L.

3. Committee: House Transportation

4. Title: Amend and reenact that section of the Code of Virginia relating to powers of the Commonwealth Transportation Commissioner.

5. Summary/Purpose:

Bill provides that the Commissioner shall ensure that the Department has all of its functions competitively bid to achieve efficiency and shall ensure that the Department does not compete with the business community for work that could or should be performed by the private sector.

6. Fiscal Impacts are unavailable

7. Budget amendment necessary: NO

8. Fiscal implications: This bill will have significant impacts to VDOT's budgets and staffing which cannot be quantified at this time. Although VDOT has been involved in outsourcing functions for over a decade, the open-ended nature of the directive to bid any and all functions means that some type of methodology will need to be developed or revised to identify, classify, and prioritize all functions so that those with the greatest cost-benefit can be bid first; at some point, functions with little or no likelihood of privatizing will still need to be put out for bids. This process is likely to be time-consuming, and result in considerable increases in administrative costs to complete the bidding process.

9. Specific agency or political subdivisions affected: VDOT

10. Technical amendment necessary: NO

11. Other comments: NO

Date: 09/19/2006

Revision Date:

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cc: Secretary of Transportation