

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: SB834

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Petersen

3. Committee: Transportation

4. Title: VDOT highway maintenance contracts.

5. Summary: The proposed legislation would allow VDOT to contract with private entities to provide the maintenance of state-owned highway rights-of-way. In return VDOT is to grant permission to the private entity to display a single advertising sign, no larger than 18 inches x 24 inches, for each direction of traffic on the maintained portion of the right-of-way. The private entity may contract with a third party to perform the maintenance work.

6. Budget Amendment Necessary: None.

7. Fiscal Impact Estimates: Unavailable. See Item 8.

8. Fiscal Implications: The proposed legislation could reduce the amount of maintenance work funded by the Department of Transportation. The number of such contracts and the value of any cost avoidance resulting from the private maintenance work cannot be determined at this time.

Pursuant to Code requirements, in FY 2012, \$448.9 million is expected to be transferred out of the construction program to provide sufficient funding for the maintenance of the Commonwealth's highway system. Any savings generated by the provisions of the bill could reduce the amount of the transfer.

9. Specific Agency or Political Subdivisions Affected: Department of Transportation

10. Technical Amendment Necessary: None.

11. Other Comments: None.

Date: 1/26/2011 dpb/smc

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