

## Department of Planning and Budget 2012 Fiscal Impact Statement

**1. Bill Number:** HB477

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:** Albo

**3. Committee:** Appropriations

**4. Title:** Highway maintenance funds.

**5. Summary:** Currently, the Code requires the VDOT commissioner to issue a report to the Governor and General Assembly on maintenance and operations needs, and the funding required to meet those needs, using an asset management methodology. The proposed legislation would direct the Commonwealth Transportation Board (CTB) to allocate maintenance funding based on the asset management methodology. This methodology would replace the formulas which currently determine the maintenance payments to cities, towns and the counties outside of the secondary system.

When allocating the maintenance funding, the CTB is to consider achieving a minimal level of disparity among highway construction districts, city and town streets, and those counties that have withdrawn from the secondary system of highways. Prior to the allocation, the Board shall release for public review a comparison of the proposed allocation of funds with the allocation of such based entirely on asset management methodology.

**6. Budget Amendment Necessary:** None.

**7. Fiscal Impact Estimates:** Indeterminate. See Item 8.

**8. Fiscal Implications:** Currently, the allocation of maintenance funds is based on meeting the needs as determined by the CTB or as determined by the funding formulas. If the CTB was to allocate maintenance funding on the basis of minimizing disparity among construction districts, the allocation of maintenance funds between construction districts and localities may change.

**9. Specific Agency or Political Subdivisions Affected:** VDOT, cities and towns, Arlington County and Henrico County

**10. Technical Amendment Necessary:** Similar to HB 427 and HB699.

**11. Other Comments:** None.

**Date:** 1/12/2012 dpb/smc

**Document:** G:\GA\FIS 2012\HB477.doc