

## Department of Planning and Budget 2016 Fiscal Impact Statement

**1. Bill Number:** HB692

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

**2. Patron:** Carr

**3. Committee:** Transportation

**4. Title:** Payments to cities and towns for maintenance of certain highways

**5. Summary:** Provides that maintenance payments made to eligible cities and towns shall be for total pavement width based on an 11-foot lane.

**6. Budget Amendment Necessary:** No.

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

**8. Fiscal Implications:** According to the Virginia Department of Transportation (VDOT), Section 33.2-319 of the Code of Virginia currently allows VDOT to make quarterly highway maintenance payments to qualifying urban localities for eligible roads based on the number of lanes available to peak hour traffic. The existing statute does not allow turning lanes (including center turning lanes), shoulders, and on-street parking areas for consideration when developing the urban street inventory.

This legislation would eliminate the current payment requirement for an eligible lane-mile to be opened to thru traffic during peak hours and would establish payments for total pavement width based on an 11-foot lane. This would allow payments for turning lanes, shoulders, bicycle lanes and on-street parking; thus, with no new transportation revenues and an unchanged budget, the changes in this legislation would effectively reduce the payment to many localities per lane mile.

VDOT has calculated that this legislation, without a funding increase, would establish new payment rates for a normalized 11-foot lane mile of \$16,071 for arterial roads and \$9,114 for local/ collector roads, as opposed to the current \$19,958 for arterial roads and \$11,719 for local/collector roads.

A preliminary review by VDOT's Local Assistance Division found that under this legislation, more than 60 percent of local governments now receiving maintenance payments would see a reduction in those payments. This is based on the assumption that the funding provided for urban maintenance payments remains unchanged and the payments to each locality gets redistributed based on a new lower rate per lane mile.

**9. Specific Agency or Political Subdivisions Affected:** All urban localities that receive maintenance payments.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

2/10/2016

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