

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number HB1666

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 Marshall, R.G.

3. Committee House Transportation

4. Title Transportation impact fees, statewide; Transportation Board to assess and impose.

5. Summary/Purpose: The proposed legislation provides that the Commonwealth Transportation Board (CTB) shall assess and impose reasonable impact fees to be collected by the Virginia Department of Transportation (VDOT) on new development or new subdivisions that are situated on an access road which has become, or which is to become, part of the primary system of state highways. Such impact fees shall be used to pay all or a part of the cost of reasonable road improvements that are (i) attributable in substantial part to the new development or new subdivision and (ii) necessary to render that access road which has become, or which is to become, part of the primary system of state highway operable at the Level of Service, as that term is described in the Highway Capacity Manual, that existed as of January 1, 2007.

6. Fiscal Impact Estimates are: Indeterminate. See Item 8.

7. Budget amendment necessary: None.

8. Fiscal implications:

The proposed legislation directs VDOT to collect transportation impact fees assessed on new development or subdivisions by the CTB when the development is on an access road that is about to become part of the primary system. It is not known if the agency could perform the new duty with existing staff, or if additional personnel would be needed. If additional staff is required, VDOT would incur nongeneral fund expenditures.

It is unclear how many new developments and subdivisions would be impacted by the provisions in the bill. The CTB would only assess impact fees if the new development is situated on an access road which has become or is about to become part of the primary system. It is not known how many such situations arise on an annual basis. The amount of revenue generated would also depend on the cost to improve the access road to an appropriate level of service. No impact fee will be collected if the local government has already collected proffers from the developer.

A separate road improvement account shall be established for all areas that are situated on access roads that have become or are about to become part of the primary system.

9. Specific agency or political subdivisions affected: Commonwealth Transportation Board,
Department of Transportation

10. Technical amendment necessary: None.

11. Other comments: This bill is similar to two additional bills:

- HB 1667 requires VDOT to assess impact fees as described in this bill; however, the language applies only to certain roads in Loudon County. HB 1667 also provides that no impact fees should be assessed against subdividers or developers with proffered conditions.

- HB1668 requires VDOT to assess impact fees as described in this bill; however, the language applies only to certain roads in Loudon County. HB 1668 does not exempt impact fees from being assessed on subdividers and developers with proffered conditions, but treats the proffers as credits against the impact fee.

Date: 01/14/07 / smc

Document: F:\SMC\GA\FIS 2007\HB1666.Doc

cc: Secretary of Finance