

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB788

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Ingram

3. Committee: House Appropriations

4. Title: **Highway maintenance payments to counties.**

5. Summary: The proposed legislation would entitle counties that maintain their own secondary highways to receive the same per-lane-mile maintenance payments provided for roads within urban transportation service districts in other counties. The Code of Virginia allows counties to opt out of the state secondary system and maintain secondary highways within the counties. The Virginia Department of Transportation (VDOT) makes annual payments to counties who have opted out of the secondary system for roadway maintenance. Currently, only the counties of Arlington and Henrico maintain their own secondary highways.

6. Fiscal Impact Estimates: Preliminary. See Item 8.

7. Budget Amendment Necessary: Yes. An increase in Item 458 of \$8,024,318 and a decrease in Item 455 of \$8,024,318.

8. Fiscal Implications: Section 15.2-2403.1, Code of Virginia, sets the payment rate made for roads within urban transportation service districts equal to the urban allocation rate made to cities and towns. Currently, the urban allocation rate is \$16,088 per lane mile for arterial roadways and \$9,445 for smaller collector and local roads.

Henrico County receives an annual payment of \$8,553 per lane mile for maintenance activities. If Henrico's payment rate was equal to the urban allocation rate, the annual payments to the county would increase by \$8,024,318.

Arlington County currently receives a rate of \$15,150.37 per lane mile. If Arlington received the urban transportation service district per-lane-mile rate, the county would receive less funding from VDOT than they currently receive. As the proposed legislation entitles counties to the same per-lane-mile payments, but does not mandate the rate, it is assumed Arlington County will continue to receive their current per-lane-mile rate.

The increase in maintenance funding resulting from the provisions of the bill would require additional funding to VDOT's maintenance program. Current law directs all maintenance funding needs to be met prior to construction expenditures. In FY 2008, maintenance funding required an infusion of \$260 million from the construction program. The bill would

require an additional \$8.0 million to be transferred from the construction program to the maintenance program.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Transportation, Arlington County and Henrico County

10. Technical Amendment Necessary: None.

11. Other Comments: None.

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cc: Secretary of Transportation