

## Department of Planning and Budget 2008 Fiscal Impact Statement

**1. Bill Number:** HB961

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

**2. Patron:**        Shannon

**3. Committee:** House Appropriations

**4. Title:**        **Street maintenance payments.**

**5. Summary:** This impact statement has been revised to capture additional agency requirements necessary to implement the provisions of the bill. The proposed legislation would provide for increased payments to cities and towns for roadway maintenance when daily traffic volumes on the roadway exceed the statewide average volume for a comparable roadway by more than 20 percent. The payment would increase by 20 percent.

**6. Fiscal Impact Estimates:** Unavailable. See Item 8.

**7. Budget Amendment Necessary:** None.

**8. Fiscal Implications:** Currently, the Code of Virginia directs the Virginia Department of Transportation (VDOT) to transfer funding to cities and towns with populations over 3,500 residents for purposes of roadway maintenance. The appropriation act contains language directing the per-lane-mile rate to be adjusted to meet inflation. The current per-lane-mile rate is \$16,088 for arterial roads and \$9,445 for smaller local and collector roadways.

The number of roadways in cities and towns that would meet the criterion of this legislation is not presently available. The current frequency of the collection of daily traffic volumes will not meet the requirements imposed by the proposed legislation. VDOT will incur additional expenditures and need to revise its data collection procedures to annually collect the traffic data and perform the necessary validation and confirmation.

Any 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. Any additional maintenance funding requirements would increase the amount transferred from the construction program to the maintenance program.

**9. Specific Agency or Political Subdivisions Affected:** Department of Transportation, cities and towns in the urban system of roadways

**10. Technical Amendment Necessary:** None.

**11. Other Comments:** None.

**Date:** 1/24/2008 dpb/smc

**Document:** G:\GA\FIS 2008\HB961.doc

cc: Secretary of Transportation