

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: SB1004

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

2. Patron: Watkins

3. Committee: Passed both houses

4. Title: Transportation agency efficiencies and cost recoveries.

5. Summary: The proposed legislation would exempt the Department of Transportation (VDOT) and the Department of Rail and Public Transportation (DRPT) from paying any fee to circuit court clerks for remote access to land records. VDOT utilizes these records as part of the right-of-way acquisition process.

The bill also amends the process for determining maintenance payments to cities and towns. The Code currently requires the use of a statewide index of the unit cost of labor, equipment and materials, and annual changes in the index are to update base per-lane-mile rates for two types of local road classifications. The Appropriation Act overrides the Code section and authorizes VDOT to adjust the payments for inflation. The bill directs VDOT to recommend to the Commonwealth Transportation Board (CTB) an annual rate for the two classifications to be used to make maintenance payments to the cities and towns. The rate is to be computed using the base rate of growth planned for the Department's Highway Maintenance and Operations program. The bill directs that total payments are not to exceed CTB allocations.

The bill also ensures that payback provisions specified are available to VDOT if a locality chooses to cancel a project in the six-year plan after approval of the location and design. Further, the bill eliminates the requirement of refunding bonds any time within three years of the date of maturity. The refunding requirement in the Code has been overridden by federal requirements that allows transportation bonds to be refunded only once for the life of the bond.

6. Budget Amendment Necessary: In order for the amendments to §33.1-41.1 to have an effect on maintenance payments to municipalities, a language amendment is required to strike Item 455 A. That Item overrides the provisions of §33.1-41.1 and directs VDOT to adjust the municipal payments on the basis of inflation. The budget as passed by the General Assembly does not include such an amendment.

7. Fiscal Impact Estimates: Final. See Item 8.

- 8. Fiscal Implications:** The Code of Virginia authorizes circuit courts to charge up to \$50 per month for remote access to land records. If each of the 134 county and city circuit court charged VDOT the maximum fee, VDOT's savings would total \$160,800.

The amendments to the maintenance payments would give VDOT the flexibility to assess additional factors when recommending maintenance payment rate adjustments to the CTB. Any additional costs to the maintenance program will be absorbed by existing appropriations and any savings will be put toward other transportation priorities.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Transportation, Department of Rail and Public Transportation, circuit courts, local governments

- 10. Technical Amendment Necessary:** None.

- 11. Other Comments:** Identical to HB 2233.

Date: 3/9/2011 dpb/smc

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