

Department of Planning and Budget

2015 Fiscal Impact Statement

1. Bill Number: SB1159

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: Edwards

3. Committee: Senate Transportation

4. Title: Life-cycle cost analysis of highway projects

5. Summary: Requires the Commonwealth Transportation Board to develop a life-cycle cost analysis for all primary highway projects approved by the Board for which the total cost of initial construction exceeds \$500,000. The bill requires the analysis to include the total initial cost of the project and projected future maintenance costs and requires the Board to make project decisions accordingly.

6. Budget Amendment Necessary: No

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

8. Fiscal Implications: According to the Virginia Department of Transportation (VDOT), locality and department budgets would be impacted by this legislation by increasing the man hours needed to implement and apply life-cycle cost analysis during the project development phase. Based on 287 projects advertised in calendar year 2014 with a value greater than \$500,000, VDOT estimates that an equivalent of over \$600,000 in additional man-hours would be needed annually to address the requirements of this legislation. The agency also assumes it would use existing staff resources to cover this increase in workload.

9. Specific Agency or Political Subdivisions Affected: Localities, VDOT

10. Technical Amendment Necessary: No

11. Other Comments: None