

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: SB1259

House of Origin	☐ Introduced	☐ Substitute	☒ Engrossed
Second House	☒ In Committee	☐ Substitute	☐ Enrolled

2. Patron: Bell

3. Committee: Transportation

4. Title: Virginia Highway Corporation Act; alteration of certificate of authority; powers and duties of the

- Summary:** Requires any application for a transfer, extension, or amendment of a certificate of authority issued under the Virginia Highway Corporation Act to include information demonstrating the financial fitness of the entity applying to operate the roadway. The bill requires an applicant for a toll increase to provide a forward-looking analysis return for review and comment by the Virginia Department of Transportation that demonstrates that the proposed rates will be reasonable to the user in relation to the benefit obtained, not likely to materially discourage use of the roadway, and provide the operator no more than a reasonable return. The bill also prohibits the State Corporation Commission from authorizing a toll increase if these criteria are not met or if the proposed increase is for more than one year. The bill requires an operator to receive approval from the Commission prior to refinancing any existing debt.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: This bill will require the involvement of Virginia Department of Transportation personnel to review and provide comment to the State Corporation Commission (SCC) on the analysis submitted for toll rate increases. The costs of such personnel involvement are indeterminate at this time and would need to be absorbed within existing resources.

The SCC estimates that it is possible that an outside consultant would be required to comply with the provisions of this bill at an estimated cost of \$75,000. However, a budget amendment is not necessary for this cost.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Transportation, State Corporation Commission.

10. Technical Amendment Necessary: None.

11. Other Comments: This bill is identical to HB1832.