# Office of Regulatory Management

#### **Economic Review Form**

Agency name	Commonwealth Transportation Board	
Virginia Administrative Code (VAC) Chapter citation(s)		
VAC Chapter title(s) Subdivision Street Requirements		
Action title	Periodic Review	
Date this document prepared	12/12/2022	

## **Cost Benefit Analysis**

Table 1a must be completed for all actions. Tables 1b and 1c must be completed for actions (or portions thereof) where the agency is exercising discretion, including those where some of the changes are mandated by state or federal law or regulation. Tables 1b and 1c are not needed if <u>all</u> changes are mandated, and the agency is not exercising any discretion. In that case, enter a statement to that effect.

- (1) Direct Costs & Benefits: Identify all specific, direct economic impacts (costs and/or benefits), anticipated to result from the regulatory change. (A direct impact is one that affects entities regulated by the agency and which directly results from the regulatory change itself, without any intervening steps or effects. For example, the direct impact of a regulatory fee change is the change in costs for these regulated entities.) When describing a particular economic impact, specify which new requirement or change in requirement creates the anticipated economic impact. Keep in mind that this is the proposed change versus the status quo. One bullet has been provided, add additional bullets as needed.
- (2) Ouantitative Factors:
  - (a) Enter estimated dollar value of total (overall) direct costs described above.
  - (b) Enter estimated dollar value of total (overall) direct benefits described above.
  - (c) Enter the present value of the direct costs based on the worksheet.
  - (d) Enter the present value of the direct benefits based on the worksheet.
- (3) Benefits-Costs Ratio: Calculate d divided by c OR enter it from the worksheet.
- (4) Net Benefit: Calculate d minus c OR enter it from the worksheet.
- (5) Indirect Costs & Benefits: Identify all specific, indirect economic impacts (costs and/or benefits), anticipated to result from the regulatory change. (An indirect impact is one that results from responses to the regulatory change, but which are not directly required by the regulation. Indirect impacts of a regulatory fee change on regulated entities could include a change in the prices they charge, changes in their operating procedures or employment levels, or decisions to enter or exit the regulated profession or market. Indirect impacts also include responses by other entities that have close economic ties to the regulated entities, such as suppliers or partners.) If there are no indirect costs or benefits, include a specific statement to that effect.

- (6) Information Sources: Describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why they are not.
- (7) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

## Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

# (1) Direct Costs & Benefits

As a result of the completed periodic review for 24 VAC 30-91, the Commonwealth Transportation Board (CTB) has voted to retain this regulation as-is. At the recommendation of the Office of Regulatory Management (ORM), due to the advanced stage of this periodic review at the time new procedures were issued, this form has been prepared with consideration of the regulation in its current form as the only alternative. Additionally, at the recommendation of ORM, a qualitative analysis of costs and benefits is provided below.

The Subdivision Street Requirements (SSR) govern the acceptance of subdivision streets into the secondary system of state highways for maintenance by the Virginia Department of Transportation (VDOT). Streets which may be considered for acceptance in accordance with this regulation include: 1) streets where the street layout has been proffered pursuant to § 15.2-2297, 15.2-2298, or 15.2-2303 of the Code of Virginia if the requirements of 15.2-2307 are met prior to July 1, 2009; 2) streets that are part of a recorded plat or final site plan valid pursuant to § 15.2-2261 of the Code of Virginia and approved in accordance with §§ 15.2-2241 through 15.2-2245 and 15.2-2286 of the *Code of Virginia* prior to July 1, 2009; 3) streets that are part of a preliminary subdivision plat valid pursuant to § 15.2-2260 of the Code of Virginia approved in accordance with §§ 15.2-2241 through 15.2-2245 and 15.2-2286 of the Code of Virginia prior to July 1, 2009; 4) streets that are part of a street construction plan approved by VDOT prior to July 1, 2009; and 5) if requested by the local governing body, the SSR shall apply if the conceptual sketch was submitted to the agency prior to July 1, 2009.

Developers bear the direct costs of preparing and paying the required surety and fees to submit their street plans to VDOT. They also bear the direct cost of constructing their streets to the SSR standards, which may cost more than if they were not constructed to these standards. The direct costs of this regulation to VDOT are the time and resources to review the street plans.

Direct benefits to all Virginians include the improved roadway safety and operation which comes from the consistent construction, review, inspection, and acceptance of streets which meet the specified requirements. The standards ensure access to homes, schools, businesses and other facilities by emergency response vehicles, reduce accident-causing congestion, and promote the safe efficient/effective movement of people and goods.

(2) Quantitative Factors	Estimated Dollar Amount	Present Value		
Direct Costs	(a)	(c)		
Direct Benefits	(b)	(d)		
(3) Benefits-		(4) Net		
Costs Ratio		Benefit		
(5) Indirect Costs & Benefits	Indirect costs and benefits accrue to VDOT. The indirect costs include maintaining the streets that are accepted into the secondary system of state highways as a result of the street plan reviews. Indirect benefits include the assurance that state resources are being used efficiently, since without this regulation, developers could construct poor quality roads which the state would be responsible to improve.			
(6) Information Sources				
(7) Optional				

# Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

This table addresses current requirements and the implications of not making any changes. In other words, describe the costs and benefits of maintaining the current regulatory requirements as is.

(1) Direct Costs & Benefits	• See table 1a.	
(2) Quantitative Factors Direct Costs	Estimated Dollar Amount (a)	Present Value (c)
Direct Benefits	(b)	(d)
(3) Benefits- Costs Ratio		(4) Net Benefit
(5) Indirect Costs & Benefits		

(6) Information			
Sources			
(7) Optional			
Table 1c. Costs a	nd Benefits under an Alterna	ative Approach	
		accomplishing the objectives with different	
	11	include the use of reasonably available	
-	• • • • • • • • • • • • • • • • • • • •	disclosure requirements or performance	
standards instead	of regulatory mandates.		
	<del>,</del>		
(1) Direct Costs	Describe first altern	ative proposed impactful change here.	
& Benefits	Direct Costs: Describ	a the direct costs of this proposed change here	
	Direct Costs. Describ	e the direct costs of this proposed change here.	
	Direct Benefits: Describe the direct benefits of this proposed change		
	here.		
	Use additional bullets	as needed	
(2) Quantitative	F : 15 !!	D 477.1	
Factors	Estimated Dollar Amount	Present Value	
Direct Costs	(a)	(c)	
Direct Benefits	(b)	(d)	
(3) Benefits-		(4) Net	
Costs Ratio		Benefit	
(5) Indirect Costs &			
Benefits			
(6) Information			
Sources			
(7) Optional			

## **Impact on Local Partners**

- (1) Describe the direct costs and benefits (as defined on page 1) for local partners in terms of real monetary costs and FTEs. Local partners include local or tribal governments, school divisions, or other local or regional authorities, boards, or commissions. If local partners are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
  - (a) Enter estimated dollar value of total (overall) direct costs described above.
  - (b) Enter estimated dollar value of total (overall) direct benefits described above.
- (3) Indirect Costs & Benefits: Describe any indirect benefits and costs (as defined on page 1) for local partners that are associated with all significant changes. If there are no indirect costs or benefits, include a specific statement to that effect.
- (4) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why they are not.
- (5) Assistance: Identify the amount and source of assistance provided for compliance in both funding and training or other technical implementation assistance.
- (6) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

**Table 2: Impact on Local Partners** 

(1) Direct Costs & Benefits	No direct costs to local partners have been identified. Direct benefits to local partners include the improved roadway safety and operation which comes from the consistent construction, review, inspection, and acceptance of streets which meet the specified requirements. The standards ensure access to homes, schools, businesses and other facilities by emergency response vehicles, reduce accident-causing congestion, and promote the	
	safe and efficient/effective movement of people and goods.	
(-)		
(2) Quantitative		
Factors	Estimated Dollar Amount	
Direct Costs	(a)	
Direct Benefits	(b)	
(3) Indirect	No indirect costs to local partners have been identified. Indirect benefits	
Costs &	may accrue to local partners. Some Virginia counties do not allow land to	
Benefits	be subdivided unless the roads which serve the new parcels meet the regulatory requirements, thereby resulting in better transportations systems for those areas.	

(4) Information Sources	
(5) Assistance	
` /	
(6) Optional	

## **Economic Impacts on Families**

- (1) Describe the direct costs and benefits (as defined on page 1) to a typical family of three (average family size in Virginia according to the U. S. Census) arising from any proposed regulatory changes that would affect the costs of food, energy, housing, transportation, healthcare, and education. If families are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
  - (a) Enter estimated dollar value of direct costs.
  - (b) Enter estimated dollar value of direct benefits.
- (3) Indirect Costs & Benefits: Describe any indirect costs and benefits (as defined on page 1) to a typical family of three that are most likely to result from the proposed changes.
- (4) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why not.
- (5) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

**Table 3: Impact on Families** 

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(1) Direct Costs	No direct costs to families have been identified. Direct benefits to families			
& Benefits	include the improved roadway safety and operation which comes from the			
	consistent construction, review, inspection, and acceptance of streets which			
	meet the specified requirements. The standards ensure access to homes,			
	businesses and other facilities by emergency response vehicles, reduce			
	accident-causing congestion, and promote the safe and efficient/effective			
	movement of people and goods. Furthermore, some lending companies will			
	not approve home mortgages unless the dwellings are located on publicly			
	maintained roads which meet the regulatory requirements, thereby ensuring			
	the families purchasing those dwellings receive proper access from			
	emergency response vehicles and that the roadways servicing their			
	dwellings are safely and adequately maintained.			

(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a)
Direct Benefits	(b)
(3) Indirect Costs & Benefits	Indirect costs to families could include the potential for higher costs of housing in those subdivisions subject to the SSR, due to the higher costs of road development which may be passed on to homebuyers by developers. No indirect benefits to families have been identified.
(4) Information Sources	
(5) Optional	

## **Impacts on Small Businesses**

- (1) Describe the direct costs and benefits (as defined on page 1) for small businesses. For purposes of this analysis, "small business" means the same as that term is defined in § 2.2-4007.1. If small businesses are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
  - (a) Enter estimated dollar value of direct costs.
  - (b) Enter estimated dollar value of direct benefits.
- (3) Indirect Costs & Benefits: Describe the indirect benefits and costs (as defined on page 1) for small businesses that are most likely to result from the proposed changes.
- (4) Alternatives: Add a qualitative discussion of any equally effective alternatives that would make the regulatory burden on small business more equitable compared to other affected business sectors, and how those alternatives were identified.
- (5) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why not.
- (6) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

**Table 4: Impact on Small Businesses** 

(1) Direct Costs & Benefits	If developers qualify as small businesses, then these small businesses would bear the direct costs of preparing and paying the required surety and fees to submit their street plans to VDOT. They would also bear the direct cost of constructing their streets to the SSR standards, which may cost more than if they were not constructed to these standards. Direct benefits to small businesses include the improved roadway safety and operation which comes from the consistent construction, review, inspection, and acceptance of streets which meet the specified requirements. The standards ensure access to homes, businesses and other facilities by emergency response vehicles, reduce accident-causing congestion, and promote the safe and effective/efficient movement of people and goods.
(2) Quantitative	
Factors	Estimated Dollar Amount
Direct Costs	(a)
Direct Benefits	(b)
(3) Indirect Costs & Benefits	No indirect costs and benefits to small businesses have been identified.
(4) Alternatives	
(5) Information Sources	
(6) Optional	

## **Changes to Number of Regulatory Requirements**

For each individual VAC Chapter amended, repealed, or promulgated by this regulatory action, list (a) the initial requirement count, (b) the count of requirements that this regulatory package is adding, (c) the count of requirements that this regulatory package is reducing, (d) the net change in the number of requirements. This count should be based upon the text as written when this stage was presented for executive branch review. Five rows have been provided, add or delete rows as needed.

**Table 5: Total Number of Requirements** 

	Number of Requirements			
Chapter number	Initial Count	Additions	Subtractions	Net Change
24 VAC 30-91	32,141	0	0	0