

Office of Regulatory Management
Economic Review Form

Agency name	Commonwealth Transportation Board
Virginia Administrative Code (VAC) Chapter citation(s)	24 VAC 30-151
VAC Chapter title(s)	Land Use Permit Regulations
Action title	Chapter 151 Regulatory Reform and Periodic Review
Date this document prepared	December 11, 2024
Regulatory Stage (including Issuance of Guidance Documents)	Proposed

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

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

(1) Direct & Indirect Costs & Benefits (Monetized)	No monetizable direct or indirect costs or benefits from the proposed changes have been identified.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)	<p>The proposed amendments will require permittees to maintain comprehensive general liability insurance with limits of at least \$1,000,000 per occurrence and \$5,000,000 in the aggregate, or in amounts otherwise required by VDOT stated in the permit. While permittees currently carry this insurance, the specific minimum monetary values are not set by the regulation. By setting these required minimum amounts, there may be permittees that would be obtaining levels of coverage higher than they would otherwise acquire under the current requirements, representing a cost to these permittees. VDOT will benefit from the regulatory change by ensuring permittees are adequately covered against liability for personal injury and property damage in connection with all activities undertaken under a permit. VDOT cannot estimate the average costs to permittees or benefits to the agency resulting from this proposed change.</p> <p>The amendments will strengthen the indemnification and hold harmless language in the regulation. This language could possibly result in costs to permittees whose activities or violations directly or indirectly result in third-party claims, causes of action, losses, costs, attorney’s fees, expenses, and damages. The language would also apply to activities or violations of a permittee’s contractors, subcontractors, consultants, representatives, agents or employees, or anyone for whose acts or violations the permittee is or may be liable. VDOT and the other above-named entities will benefit from the strengthened language which would remove any doubt that they are not liable for costs related to permittee actions or violations.</p> <p>Some permittees may be required to take on additional costs to assume full responsibility for damages caused by improperly installed facilities and/or improperly maintained facilities placed within the right-of-way under permit due to the new general applicability of this language. The benefit of this change is the protection of the Commonwealth and the</p>	

	<p>public through removal of any uncertainty regarding permittee liability for inadequate permittee installation and/or maintenance of facilities.</p> <p>The proposed changes to sections 500, 520, and 620 will directly benefit permittees by providing additional clarity regarding covered activities and by reducing permit processing time. Currently, the activities addressed in the amended sections are processed and approved under section 660 of the regulation covering special permits. This requires approval from the VDOT Central Office prior to permit issuance by the Residency. Under the proposed changes, the requests submitted by the impacted applicants will no longer require Central Office approval, saving time for permittees and resources for VDOT.</p> <p>Other non-monetized direct benefits of the changes include added clarity for regulated entities through the removal of the Documents Incorporated by Reference (DIBR), elimination of redundant and unnecessary text, and other updating and streamlining amendments. Including the DIBR in the terms of the land use permit instead of the regulation will benefit the regulated community by more narrowly tailoring requirements to the specific type of permit and associated activity and easing burdens on permittees in determining applicability. This also provides an indirect benefit to VDOT by ensuring projects in the state highway right-of-way follow the correct standards and specifications.</p>
(5) Information Sources	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	No monetizable direct or indirect costs or benefits from the status quo have been identified.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)	Currently, no required minimum level of comprehensive general liability insurance is set by the regulation. This serves as a cost to VDOT as some permittees may not be adequately covered against liability for personal injury and property damage in connection with all activities undertaken under a permit if permit conditions allow them to choose limits lower than the minimums included in the proposed amendments. Some	

	<p>permittees may benefit under the status quo as there may be permittees that would be obtaining levels of coverage lower than they would otherwise acquire under the proposed amendments, representing a benefit to these permittees.</p> <p>The lack of clear indemnification and hold harmless language in the status quo regulation could result in costs to the Commonwealth, the Commonwealth Transportation Board, the Commissioner of Highways, VDOT, associated consultants, representatives, agents and employees, and ultimately the public.</p> <p>In the current regulation, the language on permittee responsibility for damages caused by improperly installed facilities and/or improperly maintained facilities is limited to utility installations. This allows for permittees installing other types of facilities within the right-of-way to potentially avoid responsibilities for their facilities. This serves as a cost to the Commonwealth and ultimately the public, as the Commonwealth could be liable for inadequate permittee installation and maintenance of facilities or at least would bear the costs of defending against such claims under the status quo.</p> <p>Also under the status quo, entities seeking permits for the activities addressed by the amendments to sections 500, 520, and 620 must obtain a special permit under section 660 of the regulation. This requires approval from the VDOT Central Office prior to permit issuance by the Residency, which results in costs of lost time for the impacted permittees and expended resources for VDOT. Another non-monetizable cost of the status quo regulation is that it does not provide adequate clarity and flexibility in the areas where amendments are proposed.</p>
(5) Information Sources	

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Instead of setting the required minimum levels of comprehensive general liability insurance at \$1,000,000 per occurrence and \$5,000,000 in the aggregate, or in amounts otherwise required by VDOT stated in the permit, minimums of \$2,000,000 per occurrence and \$10,000,000 in the aggregate could be proposed. However, this option was not pursued because of potential costs to the permittees and the limited number of circumstances for which such levels of insurance would be needed. No monetizable direct or indirect costs or benefits from this alternative approach have been identified.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits

	(a) N/A	(b) N/A
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources		

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	No monetized direct or indirect costs or benefits to local partners from the proposed changes have been identified.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)	To the extent that local partners are affected by this regulation, they will benefit from the clarity and streamlining provided by the proposed changes.	
(4) Assistance		
(5) Information Sources		

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	No direct or indirect costs or benefits to families from the proposed changes have been identified.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)		
(4) Information Sources		

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	No monetized direct or indirect costs or benefits to small businesses from the proposed changes have been identified.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)	Small business permittees may be impacted by the new explicit requirement to maintain comprehensive general liability insurance with limits of at least \$1,000,000 per occurrence and \$5,000,000 in the aggregate, or in amounts otherwise required by VDOT stated in the permit. Under the proposed language, there may be small business permittees that would be obtaining levels of coverage higher than they would otherwise acquire under the current requirements, representing a cost to these permittees. Small business permittees may be impacted by the amendments to strengthen the indemnification and hold harmless language in the regulation. Costs could accrue to small business permittees whose activities or violations directly or indirectly result in third-party claims, causes of action, losses, costs, attorney’s fees, expenses, and damages. The language would also apply to activities or	

	<p>violations of a permittee’s contractors, subcontractors, consultants, representatives, agents or employees, or anyone for whose acts or violations the permittee is or may be liable. Furthermore, some small business permittees may be required to take on additional costs to assume full responsibility for damages caused by improperly installed and/or improperly maintained facilities within the right-of-way under permit due to the new general applicability of this language.</p> <p>To the extent that small businesses are affected by this regulation, they will benefit from the clarity and streamlining provided by the proposed changes.</p>
(4) Alternatives	
(5) Information Sources	

Changes to Number of Regulatory Requirements**Table 5: Regulatory Reduction**

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
24VAC30-151-10	(M/A):	0			0
	(D/A):	0			0
	(M/R):	0			0
	(D/R):	0			0
24VAC30-151-20	(M/A):	0			0
	(D/A):	0			0
	(M/R):	0			0
	(D/R):	0			0
24VAC30-151-30	(M/A):	0			0
	(D/A):	5			0
	(M/R):	7		5	-5
	(D/R):	46	10	37	-27
24VAC30-151-40	(M/A):	1			0
	(D/A):	7		1	-1
	(M/R):	6	1	2	-1
	(D/R):	53	11	13	-2
24VAC30-151-50	(M/A):	0			0
	(D/A):	0			0
	(M/R):	0			0
	(D/R):	4		1	-1
24VAC30-151-80	(M/A):	0			0
	(D/A):	2			0
	(M/R):	0			0
	(D/R):	5		1	-1
24VAC30-151-90	(M/A):	0			0
	(D/A):	0			0
	(M/R):	0			0
	(D/R):	1			0
24VAC30-151-110	(M/A):	0			0
	(D/A):	0	2		+2
	(M/R):	0			0
	(D/R):	3	3	2	+1
24VAC30-151-120	(M/A):	0			0
	(D/A):	0			0
	(M/R):	0			0

	(D/R):	0		0
24VAC30-151-220	(M/A):	0		0
	(D/A):	1	1	-1
	(M/R):	7	7	-7
	(D/R):	0		0
24VAC30-151-230	(M/A):	0		0
	(D/A):	1		-1
	(M/R):	5	5	-5
	(D/R):	0		0
24VAC30-151-240	(M/A):	0		0
	(D/A):	1		0
	(M/R):	0		0
	(D/R):	2		0
24VAC30-151-260	(M/A):	0		0
	(D/A):	0		0
	(M/R):	0		0
	(D/R):	3	1	-1
24VAC30-151-270	(M/A):	0		0
	(D/A):	0		0
	(M/R):	0		0
	(D/R):	5	1	-1
24VAC30-151-280	(M/A):	0		0
	(D/A):	1		-1
	(M/R):	0		0
	(D/R):	0		0
24VAC30-151-290	(M/A):	0		0
	(D/A):	0		0
	(M/R):	1	1	-1
	(D/R):	1	1	-1
24VAC30-151-300	(M/A):	3		0
	(D/A):	0		0
	(M/R):	6		0
	(D/R):	1	1	-1
24VAC30-151-310	(M/A):	1		0
	(D/A):	0		0
	(M/R):	7		0
	(D/R):	0		0
24VAC30-151-330	(M/A):	0		0
	(D/A):	0		0
	(M/R):	10	1	-1
	(D/R):	2		0
24VAC30-151-340	(M/A):	1		0
	(D/A):	0		0
	(M/R):	4		0
	(D/R):	0		0

24VAC30-151-350	(M/A):	0			0
	(D/A):	0			0
	(M/R):	1		1	-1
	(D/R):	1	1		+1
24VAC30-151-360	(M/A):	0			0
	(D/A):	0			0
	(M/R):	7			0
	(D/R):	0			0
24VAC30-151-380	(M/A):	0			0
	(D/A):	0			0
	(M/R):	4			0
	(D/R):	0			0
24VAC30-151-390	(M/A):	0			0
	(D/A):	0			0
	(M/R):	0			0
	(D/R):	2			0
24VAC30-151-400	(M/A):	0			0
	(D/A):	0			0
	(M/R):	1			0
	(D/R):	1	1		+1
24VAC30-151-420	(M/A):	0			0
	(D/A):	0			0
	(M/R):	4			0
	(D/R):	0			0
24VAC30-151-430	(M/A):	0			0
	(D/A):	0			0
	(M/R):	5			0
	(D/R):	0			0
24VAC30-151-440	(M/A):	0			0
	(D/A):	0			0
	(M/R):	0			0
	(D/R):	2		2	-2
24VAC30-151-450	(M/A):	0			0
	(D/A):	0			0
	(M/R):	1			0
	(D/R):	3			0
24VAC30-151-460	(M/A):	0			0
	(D/A):	2		1	-1
	(M/R):	0			0
	(D/R):	3			0
24VAC30-151-490	(M/A):	0			0
	(D/A):	0			0
	(M/R):	1			0
	(D/R):	0			0
	(M/A):	0			0

24VAC30-151-500	(D/A):	0			0
	(M/R):	0			0
	(D/R):	1			0
24VAC30-151-520	(M/A):	0			0
	(D/A):	1			0
	(M/R):	0			0
	(D/R):	1	1		+1
24VAC30-151-550	(M/A):	5			0
	(D/A):	0			0
	(M/R):	12			0
	(D/R):	0			0
24VAC30-151-560	(M/A):	0			0
	(D/A):	0			0
	(M/R):	1			0
	(D/R):	0			0
24VAC30-151-570	(M/A):	0			0
	(D/A):	8		2	-2
	(M/R):	6			0
	(D/R):	10			0
24VAC30-151-580	(M/A):	0			0
	(D/A):	0			0
	(M/R):	3			0
	(D/R):	2			0
24VAC30-151-590	(M/A):	1		1	-1
	(D/A):	0			0
	(M/R):	1		1	-1
	(D/R):	0			0
24VAC30-151-600	(M/A):	0			0
	(D/A):	1			0
	(M/R):	0			0
	(D/R):	1			0
24VAC30-151-620	(M/A):	1			0
	(D/A):	0	1		+1
	(M/R):	5			0
	(D/R):	0	7		+7
24VAC30-151-630	(M/A):	0			0
	(D/A):	0			0
	(M/R):	1			0
	(D/R):	1			0
24VAC30-151-670	(M/A):	1			0
	(D/A):	0			0
	(M/R):	3			0
	(D/R):	0			0
24VAC30-151-690	(M/A):	0			0
	(D/A):	1			0

	(M/R):	1			0
	(D/R):	4			0
24VAC30-151-700	(M/A):	0			0
	(D/A):	1			0
	(M/R):	0			0
	(D/R):	4			0
24VAC30-151-710	(M/A):	0			0
	(D/A):	1			0
	(M/R):	4		1	-1
	(D/R):	31			0
24VAC30-151-720	(M/A):	0			0
	(D/A):	2			0
	(M/R):	0			0
	(D/R):	7	1		+1
24VAC30-151-730	(M/A):	0			0
	(D/A):	0			0
	(M/R):	9	1	8	-7
	(D/R):	0	2		+2
24VAC30-151-740	(M/A):	0			0
	(D/A):	0			0
	(M/R):	1			0
	(D/R):	1			0
24VAC30-151-760	(M/A):	5,157		5,157	-5,157
	(D/A):	10,592		10,592	-10,592
	(M/R):	150		150	-150
	(D/R):	12,853		12,853	-12,853
FORMS	(M/A):	0			0
	(D/A):	0			0
	(M/R):	0			0
	(D/R):	0			0
Grand Total of Changes in Requirements:					(M/A): -5,158
					(D/A): -10,596
					(M/R): -180
					(D/R): -12,876

Key:

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself

(D/A): Discretionary requirements affecting agency itself

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

(D/R): Discretionary requirements affecting external parties, including other agencies

Cost Reductions or Increases (if applicable)

N/A

Other Decreases or Increases in Regulatory Stringency (if applicable)

N/A

Length of Guidance Documents (only applicable if guidance document is being revised)

N/A

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).