Virginia Department of Planning and Budget
Economic Impact Analysis

24 VAC 30-21 General Rules and Regulations of the Commonwealth Transportation Board
Department of Transportation
Town Hall Action/Stage: 6537 / 10653
April 15, 2025

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order 19. The analysis presented below represents DPB's best estimate of the potential economic impacts as of the date of this analysis.[1]

Summary of the Proposed Amendments to Regulation

In response to Executive Order 19 (2022) and Executive Directive 1 (2022), the Commonwealth Transportation Board (CTB) proposes to amend the regulation governing activities, including maintenance work, that occur on highways that are under the jurisdiction of the CTB and Virginia Department of Transportation (VDOT). The proposed changes would update definitions, remove requirements that are duplicative of other VDOT regulations, and consolidate and streamline the remaining requirements.

Background

Executive Directive 1 (2022) directs executive branch entities under the authority of the Governor "…to initiate regulatory processes to reduce by at least 25 percent the number of regulations not mandated by federal or state statute, in consultation with the Office of the Attorney General, and in a manner consistent with the laws of the Commonwealth."[2]

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[1] Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

[2] See https://www.governor.virginia.gov/media/governorvirginiagov/governor-of-virginia/pdf/ed/ED-1-Regulatory-Reduction.pdf

Accordingly, VDOT reports that the CTB conducted a review of this regulation and identified amendments that would remove redundant requirements and increase the clarity of the regulation. This action would also be used to conduct a new periodic review. The most substantive changes are summarized as follows:

- The definition of "right of way" (section 10) would be updated to explicitly include the subsurface below and area above the property, which would clarify that work involving utilities that cross a highway are included in the purview of this regulation. This and other wording changes in the definition are intended to conform the definition to current law and practice.
- Section 20 currently pertains to permits and section 30 pertains to the use of right of way; these sections would be combined. Section 30 would be repealed in its entirety and most requirements would be added to section 20, which would be renamed *General provisions concerning permits and use of right of way.* The permit requirement currently in Section 20, subsection A would be amended to add a reference to 24 VAC 30-151 *Land Use Permit Regulations* and subsections B and C would be struck as they are duplicative of requirements in that regulation. A prohibition on parking, currently in section 30, would be removed as it is duplicative of language in 24 VAC 30-640 *Parking on Primary and Secondary Highways.* Lastly, an exemption for highway maintenance vehicles or vessels currently in section 30 would be expanded to included fire and law enforcement vehicles or vessels. All other requirements in section 30 would be moved to section 20 as is.
- Section 40 would be repealed in its entirety as it is duplicative of 24 VAC 30-73 *Access Management Regulations* and 24 VAC 30-151 *Land Use Permit Regulations.*

Estimated Benefits and Costs

The proposed amendments largely serve to clarify and streamline the text without changing the intent of the regulation. Thus, to the extent that the proposed changes are consistent with current practice and statute, they are not expected to create new costs. One of the proposed changes would newly exempt fire and law enforcement from restrictions on activities on bridges that are part of the highway network. These restrictions currently prohibit (i) fishing; (ii) using a bridge as a wharf from which to load or unload a vehicle, to deposit property, or for any other purpose except crossing; and (iii) fastening or laying a vessel alongside a bridge. To the extent that fire or law enforcement agencies need to tie a boat or other water vessel to a bridge, they would benefit from having these exemptions in the regulation rather than having to obtain permission from VDOT to do so.

Businesses and Other Entities Affected

As mentioned previously, the proposed changes would largely remove redundant language and clarify the text. The Code of Virginia requires DPB to assess whether an adverse impact may result from the proposed regulation.[3] An adverse impact is indicated if there is any increase in net cost or reduction in net benefit for any entity, even if the benefits exceed the costs for all entities combined.[4] Since the proposed changes do not change the substance of the regulation or create new costs, no adverse impact is indicated.

Small Businesses[5] Affected:[6]

The proposed amendments do not adversely affect small businesses.

Localities[7] Affected[8]

The proposed amendments do not disproportionately affect particular localities or affect costs for local governments.

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[3] Pursuant to Code § 2.2-4007.04(D): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance.

[4] Statute does not define "adverse impact," state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.

[5] Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as "a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than $6 million."

[6] If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.

[7] "Locality" can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

[8] § 2.2-4007.04 defines "particularly affected" as bearing disproportionate material impact.

Projected Impact on Employment

The proposed amendments do not affect total employment.

Effects on the Use and Value of Private Property

The proposed amendments neither affect the use and value of private property nor real estate development costs.