WEST VIRGINIA LEGISLATURE

2024 REGULAR SESSION

Introduced

House Bill 4730

FISCAL NOTE

By Delegate Statler

[Introduced January 15, 2024; Referred

to the Committee on Technology and Infrastructure

then Finance]

1	A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
2	designated §17-31-1, §17-31-2, §17-31-3, §17-31-4, and §17-31-5, all relating to requiring
3	the Commissioner of Highways to develop a formula for allocating road funds among
4	districts, for the benefit of the counties; making legislative findings; requiring the
5	commissioner to solicit and consider public comments; requiring the commissioner to
6	include certain factors in the formula; and requiring the commissioner to submit the formula
7	to the Legislature for approval as a legislative rule.

Be it enacted by the Legislature of West Virginia:

ARTICLE 31. ALLOCATION OF FUNDS.

§17-31-1. Findings.

1 <u>The Legislature finds that:</u>

- 2 (1) According to an independent audit report submitted to the Joint Committee on 3 Government and Finance on January 10, 2016, the West Virginia Division of Highways currently 4 has no formula in place to allocate and distribute road funds among districts and counties. The 5 audit report recommended that in order to more effectively distribute funds, the division should 6 create a framework to allocate and distribute road funds to each of the districts and county 7 organizations; that a baseline maintenance capital plan should be reexamined and revised 8 periodically; and that metrics for the allocation process should be transparent. 9 (2) A transparent process to develop an official formula for allocating road funds among 10 districts in the state is crucial to ensure that funds are distributed in an effective and efficient
- 11 manner, based on the needs of the counties within the districts.

§17-31-2. Definitions.

- 1 For the purposes of this article:
- 2 (1) "Commissioner" means the West Virginia Commissioner of Highways.
- 3 (2) "District" means one of the ten road maintenance districts established by the West
- 4 Virginia Division of Highways.

	5	(3) "Heavy	/ truck"	means	an	on-road	vehicle	with a	a gros	s vehicle	weigh	nt rating	l of	50,	,00
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6 pounds or more.

- 7 (4) "Road funds" means federal or state funds appropriated or otherwise available to the
- 8 West Virginia Division of Highways for the purpose of:
- 9 (A) New construction;
- 10 (B) Maintenance; or
- 11 (C) New capacity improvements.

§17-31-3. Formula for allocation of funds.

- 1 (a) Prior to the beginning of the regular legislative session in 2025, the commissioner must
- 2 <u>develop and propose a formula for the effective and efficient allocation of state and federal road</u>
- 3 <u>funds among the districts and counties in this state, to be promulgated as a legislative rule.</u>
- 4 (b) The commissioner must include the following factors in the formula developed pursuant
- 5 to this section:
- 6 (1) The population served in each county according to the most recent United States
- 7 <u>Census;</u>
- 8 (2) The amount of population growth in each county according to the most recent United
- 9 <u>States Census projection;</u>
- 10 (3) The number of total lane miles in a county;
- 11 (4) The approximate number of vehicle miles travelled within a county;
- 12 (5) The approximate number of heavy truck miles travelled within a county; and
- 13 (6) The number of bridges in a county and their condition.
- 14 (c) Before developing the formula required by this section, the commissioner must review
- 15 and consider all public comments submitted to the commissioner pursuant to §17-30-4 of this
- 16 <u>code.</u>

§17-31-4. Public comment period.

1 (a) On or before October 1, 2024, the commissioner must develop and implement a

- 2 mechanism to proactively seek public comments and recommendations regarding the division's
- 3 <u>current allocation of road funds.</u>
- 4 (b) In developing and implementing a mechanism to seek public comments, the
- 5 <u>commissioner must, at a minimum:</u>
- 6 (1) Use multimedia resources to publicize the public comment period;
- 7 (2) Allow a period of six weeks for members of the public to submit comments to the
- 8 <u>commissioner through written and electronic forms of communication; and</u>
- 9 (3) Make all public comments received by the commissioner available for the public to view
- 10 <u>on the department's website.</u>
- 11 (c) The commissioner must issue targeted communications to the following entities to
- 12 <u>encourage representatives of those entities to participate in the public comment period required by</u>
- 13 this subsection:
- 14 (1) Division of Highways district offices;
- 15 (2) County commissions; and
- 16 (3) Metropolitan planning organizations.

§17-31-5. Legislative rule.

1 (a) During the regular legislative session of 2025, the commissioner must submit the

2 formula developed pursuant to this section to the Legislature for approval as a legislative rule, in

- 3 accordance with the requirements of §29A-3-1 et seq. of this code.
- 4 (b) The legislative rule promulgated pursuant to this article must allow districts to exercise

5 discretion over how to distribute funds among counties within the district over a period of five

6 years: *Provided*, That at the end of the five year period, all counties within the district must have

- 7 received the funds apportioned to them by the formula developed pursuant to this article.
- 8 (c) The proposed legislative rule shall provide that no district receive less funding than had
- 9 been received in highest of the previous five fiscal years unless the overall state budget for the
- 10 Division of Highways has been reduced.

NOTE: The purpose of this bill is to require the Commissioner of Highways to develop a formula for allocating road funds among districts, for the benefit of the counties; to make legislative findings; to require the commissioner to solicit and consider public comments; to require the commissioner to consider certain factors when developing the formula; and to require the commissioner to submit the formula to the Legislature for approval as a legislative rule.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.