

Commission on Local Government

Estimate of Local Fiscal Impact

2025 General Assembly Session | 1/16/25

In accordance with the provisions of 30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of legislation impacting local governments.

HB2000: Dam Safety Act; powers and duties of DCR, rights and requirements of dam owners, civil penalty. (Patron: Amy J. Laufer)

Bill Summary: Dam Safety, Flood Prevention and Protection Assistance; Dam Safety Act; powers and duties of the Department of Conservation and Recreation; rights and requirements of dam owners; civil penalty. Amends various provisions of the Dam Safety Act to streamline the Department of Conservation and Recreation's enforcement powers for impounding structures under the Act and clarifies the Department's powers and duties during an active dam failure. The bill also makes changes to a dam owner's responsibilities under the Act, including adding additional requirements to obtain a general permit for a low hazard impounding structure, making a dam owner responsible for ensuring that his impounding structure that presents an imminent danger has a safety inspection performed as provided in the bill, and allowing a dam owner to identify the dam break inundation zone of his impounding structure by providing the limits of the dam break inundation zone in lieu of filing a map. The bill also changes certain criteria for applicants to receive funds from the Dam Safety, Flood Prevention and Protection Assistance Fund, including the project match requirements for grants or loans. Finally, the bill repeals the provisions providing civil penalties for violating the provisions of the Act.

Local Fiscal Impact: Net Additional Expenditure: x Net Reduction of Revenues:

Summary Analysis:

Number of Localities Responding: 5 Cities, 11 Counties, 3 Towns, 1 Other

Localities estimated a negative fiscal impact ranging from \$20,000 to \$35.5 million over the biennium.

Localities that contain dams identified the fiscal impact as including capital costs (materials, equipment, and contracting of specialized services), personnel costs (compensation for engineers, construction managers, laborers, and other specialists, as well as administrative costs related to permitting, site preparation, and environmental mitigation), recurring costs (monitoring and inspections of sites, maintenance, and emergency response plans), as well as additional capital investment and maintenance of capital equipment. Albemarle County expressed concern that Section 10.1-608 of this bill compels localities to essentially act as an agent of DCR during potential dam emergencies and would likely result in costs to the County without any language about cost recovery for localities.

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Net Increase in Expenditures: Itemized Estimates by Responding Localities

Locality	Nonrecurring Expense - Operating		Nonrecurring Expense - Capital		Nonrecurring Expense - Other		Total Increase in Expenses (Biennium Total)	Response Totals	
	FY26	FY27	FY26	FY27	FY26	FY27			
Albemarle County	0	0	0	0	0	0	20,000	Cities:	5
Amherst County							0	Counties:	11
Bedford County							0	Towns:	3
Charlotte County							0	Other:	1
Chesterfield County	4000000	4000000	8000000	8000000			35,500,000	Total:	20
City of Alexandria							0		
City of Lynchburg							0		
City of Richmond							0		
City of Virginia Beach							0		
City of Winchester							0		
Fauquier County	7600	1000					52,983		
Mecklenburg County							0		
Northern Neck PDC							0		
Prince George County							0		
Prince William County							0		
Rappahannock County							0		
Town of Chincoteague							0		
Town of Christiansburg							0		
Town of Rocky Mount							0		
Wise County							0		

Locality	Expenditure Narrative by Responding Localities
Albemarle County	Many of the proposed amendments in House Bill 2000 to dam safety regulations are relatively inconsequential clarifications. However, the one area of concern the County has is in Section 10.1-608. Unsafe dam presenting imminent danger. Proposed language compels localities to essentially act as an agent of DCR during potential dam emergencies and would likely result in costs to the County. The dam safety regulations already include language about the Commonwealth recovering expenses from the dam owner but there is no such language suggesting that cost recovery would be shared with localities. The occasional resulting costs to the County from this legislation are not easily calculated, but are estimated at \$10,000 per year. Years with more severe emergencies would result in higher annual costs to the County, which could be offset by years with less severe emergencies. It is preferred if the legislation were amended to include alternative language that would invite or enable locality participation during emergencies but not obligate them to do so.
Amherst County	N/A
Bedford County	No fiscal impact expected to Bedford County related to this bill.
Charlotte County	The County does not own any impoundments or dams.
Chesterfield County	The projected fiscal impact on Chesterfield County concerning HB2000 amounts to over \$35 million. High hazard private dams across the County will be subject to state standards, which if directed by the Director of DCR, the County will be responsible for repairs. Capital costs include materials, equipment, and contracting of specialized services for each dam. Personnel costs include compensation for engineers, construction managers, laborers, and other specialists, as well as administrative costs related to permitting, site preparation, and environmental mitigation. Recurring costs include monitoring and inspections of sites, maintenance, and emergency response plans, as well as additional capital investment and maintenance of capital equipment. This policy may introduce a moral hazard where private dam owners, aware of the possibility the County will fund dam repairs, will be reluctant to carefully manage and maintain the dam and encourage poor management.
City of Alexandria	Since there are no dams in Alexandria, there is no identified fiscal impact as a result of the proposed legislation for the City of Alexandria.
City of Lynchburg	
City of Richmond	No anticipated fiscal impact.
City of Virginia Beach	To my knowledge there are no privately owned dams in the city.
City of Winchester	
Fauquier County	Additional resources for Personnel costs with the addition of flowmeter checks, valve adjustments, bush hogging, waterline woody vegetation, trash removal, Ag. work. Additional Operating costs to include groundhog trapping, landscaping, soil samplings and miscellaneous items. One time cost items include PE inspections, Misc. repairs (marine), and Bi-annual Superintendent walkthrough.
Mecklenburg County	The County does not maintain any dams or other flood prevention and protection devices.

Locality	Expenditure Narrative by Responding Localities
Northern Neck PDC	Planning districts have no purview for dams, and the legislation affects the activities of DCR only.
Prince George County	Staff is not aware of any dams in Prince George County that might be subject to the requirements of this bill.
Prince William County	No fiscal impact. This bill is directed toward low-hazard dams. The County does not own any low-hazard dams.
Rappahannock County	There will be no cost increase for Rappahannock County Government. Private impounding structure owners could face increased costs to adequately provide for safe conditions down stream of their structure.
Town of Chincoteague	
Town of Christiansburg	The Town of Christiansburg does not own any dams and would not anticipate any expenditures associated with this change.
Town of Rocky Mount	We do not have any dams in our Town
Wise County	Wise County does not own any dams.