

VDOT's estimates of the total eligible payments to the Town of New Market are summarized in the table below. This assumes a 2.5% budget increase in 2026 (not shown), 2.4% budget increase in 2027 and a 2.3% increase in subsequent years.

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<b>Fiscal Year</b>	<b>Estimated Payment to the Town of New Market</b>
2027	\$535,723
2028	\$548,044
2029	\$560,649
2030	\$573,544
2031	\$586,736

The addition of the Town's roads to the urban highway system would reduce the existing maintenance and operations expenditures by VDOT on those roads. While VDOT does not track expenditures specifically in the Town of New Market, expenditures for Shenandoah County (where New Market is located) are tracked. After collecting known expenditures for the County in 2024, and removing all interstate expenditures and project-specific expenditures, VDOT spent a total of \$5,526,679 in the County, to include the Town of New Market. Using VDOT's mileage tables, Shenandoah County has a total of 729.16 centerline miles. Expenditures per lane mile can be calculated as \$7,580. Using New Market's total centerline mileage of 11.22, the Department could be expected to spend \$85,048 in the Town annually. As a result, the net impact to VDOT expenditures is summarized in the table below.

<b>Fiscal Year</b>	<b>Net Impact to VDOT Expenditures</b>
2027	\$450,675
2028	\$462,996
2029	\$475,601
2030	\$488,496
2031	\$501,688

So that no other City or Town payment rates are diminished due to the addition of the Town of New Market's urban mileage, additional Urban Maintenance system budget for all maintenance payments would be necessary. As the assets would currently be maintained by VDOT, a transfer from the VDOT Maintenance

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Budget would be made from the base budget to fund this additional need in Financial Assistance to Localities in the first fiscal year the legislation is effective.

**Other:** This bill is similar to HB2020.