Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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Bill Number: HB1356 **Patron:** Convirs-Fowler
Bill Title: Precipitation design standards; non-stationary precipitation; climate-adjusted rainfall.

Bill Summary: Requires the State Water Control Board (the Board) to serve as the lead agency responsible for establishing and maintaining precipitation design standards to be used by all state agencies, localities, and other political subdivisions and in transportation projects. The bill requires such precipitation design standards to include the most recent precipitation frequency estimates published in the National Oceanic and Atmospheric Administration (NOAA) national precipitation frequency atlas to account for observed and projected increases in precipitation intensity, frequency, and duration. The bill directs the Department of Environmental Quality (DEQ), Department of Transportation (VDOT), and any other state agency to update any relevant manuals and design standards consistent with the provisions of the bill by July 1, 2027. The bill also allows the Board and VDOT to adopt interim guidance or regulations implementing the provisions of the bill consistent with the Administrative Process Act, ensuring that updated precipitation design standards take effect no later than July 1, 2027. This bill is a recommendation of the Joint Subcommittee on Recurrent Flooding.

Budget Amendment Necessary: No. **Items Impacted: N/A**

Explanation: This bill involves DEQ; VDOT, and agencies with applicable infrastructure responsibilities. However, no budget action is required. See Fiscal Analysis section, below.

Fiscal Summary: It is anticipated that this bill will have an indeterminate expenditure impact to DEQ and VDOT. It is anticipated that any costs DEQ may incur can be absorbed within existing resources. Any impact of construction requirements to state agencies is expected to be minimal.

Fiscal Analysis: This impact statement is preliminary. It is anticipated that DEQ can absorb any costs associated with the implementation of this bill. The bill authorizes DEQ and the Board to seek federal or other external funding to support implementation. While such efforts could result in additional state revenues, the timing and magnitude of any funding are indeterminate and dependent on program eligibility, competitiveness, and federal award decisions.

The bill requires the Virginia Department of Transportation (VDOT) incorporate climate-adjusted precipitation values into the design and construction of all stormwater management facilities, culverts, bridges, and other transportation infrastructure, consistent with the precipitation design standards to be established by the State Water Control Board under this legislation. The fourth enactment clause would require VDOT to temporarily assume a 20 percent increase from current National Oceanic and Atmospheric Administration (NOAA) precipitation estimates until the next version of estimates is published by NOAA.

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The impact of this legislation will be determined by the updated NOAA estimates and the design standards to be established by the State Water Control Board. The exact nature of any changes is indeterminate. To the extent that the final standards, or the temporary change in assumed precipitation values, require changes to project designs, drainage systems, or VDOT's existing practices, there may be increase costs to each impacted transportation project and maintenance activities undertaken by VDOT. Any potential cost increases are indeterminate.

VDOT relies on revenues generated for highway maintenance operations, which are fully appropriated in the 2026 Budget Bill (H30/SB30). Therefore, additional appropriation is not needed. The bill requires VDOT to identify and pursue additional funding to implement the requirements of the bill; at this time the availability of such funding is unknown. VDOT would have to cover any costs associated with this legislation by redirecting resources from other priorities.

According to the Department of General Services, if state-level rainfall data were to predict more intense rainfall rates than those reflected in the International Construction Code, which serves as the basis for the Virginia Construction Code and relies on NOAA data, design standards could require minor adjustment. In that circumstance, any increase in construction costs would be negligible and limited to accommodating higher rainfall intensity assumptions rather than requiring substantive changes to construction methods or materials.

Other: None.