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

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Bill Number: HB411ER **Patron:** Reid
Bill Title: Commissioner of Highways; certain agreements with the U.S. Department of Transportation; National Environmental Policy Act.

Bill Summary: Authorizes the Commissioner of Highways to enter into agreements for a term of five years with the U.S. Department of Transportation, as provided for in federal law, regarding state assumption of responsibility for categorical exclusions and the Surface Transportation Project Delivery Program. The bill authorizes the Department of Transportation to assume certain responsibilities of the U.S. Secretary of Transportation pursuant to such agreement. Under the bill, the Commonwealth waives its immunity from civil suit in a federal court under certain circumstances. The bill contains an expiration date of five years after the date on which the first agreement is entered into.

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

Fiscal Summary: The bill authorizes the Virginia Department of Transportation (VDOT) to enter into an agreement with the U.S. Department of Transportation to become the "lead agency" for the environmental review process under the National Environmental Policy Act (NEPA). Based on available data for VDOT projects with NEPA decisions and similar agreements in other states, VDOT anticipates potentially significant state savings by reducing project delays. Additionally, VDOT indicates that the agency's internal staffing and processes are ready for the changes in workflow that may occur under Program Assignment.

The bill also proposes to waive, on a limited basis, Eleventh Amendment Immunity allowing suit in federal court for the specific actions that may be taken under NEPA Program Assignment. VDOT indicates that costs related to any outside legal counsel that may be called on to support the Department are federally reimbursable.

The Office of the Attorney General did not provide feedback.

Fiscal Analysis: None

Other: This bill is identical to SB716.