

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2670-01
Bill No.: HB 1310
Subject: Department of Transportation, Utilities, Easements and Conveyances
Type: Original
Date: April 7, 2015

Bill Summary: This proposal requires the Department of Transportation to establish a utility corridor within the right of ways of the state highways.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Road Fund	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials from the **Department of Economic Development** assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal (HB 2278) from 2014, officials from the **Department of Transportation (MoDOT)** assumed the Highway and Transportation Commission would not have enough land and would need to purchase an additional 12' of right-of-way to meet the requirements of this proposal.

MoDOT assumed if the utility corridor is widened within MoDOT's existing right of way, many of MoDOT's existing signs will be within the proposed corridor.

MoDOT assumed this proposal would require utilities to work around approximately 700,000 MoDOT signs. MoDOT installs or replaces approximately 30,000 signs a year. Many signs MoDOT is able to drive the post into the ground, but if the sign is placed within the designated utility corridor MoDOT would be required to hand dig these signs.

MoDOT assumed any sign dug by hand to avoid utility lines in the utility corridor would require additional maintenance staff, time and material.

MoDOT assumed meeting the expansion requirements of this proposal would prevent the department from meeting funding obligations for normal roadway maintenance and future expansion projects.

MoDOT noted, currently when utility lines are located within the MoDOT right-of-way corridor the utility company pays the location, relocation or maintenance costs required from a transportation project.

ASSUMPTION (continued)

Oversight assumes this proposal gives the Highway and Transportation Commission discretion to determine where the 12' utility corridor for utility facilities is located on the right-of-ways of highways in the state highway system. The amount of right-of-way MODOT owns varies within the states network of highways but is normally 6'.

Oversight also assumes as funding is available, and transportation projects move forward; this proposal would require MODOT to purchase up to an additional 6' of right-of-way for the utility corridor. The cost of additional right-of-way is expected to be more than \$100,000 annually paid from the state Road Fund.

<u>FISCAL IMPACT - State Government</u>	<u>FY 2016</u> (10 Mo.)	<u>FY 2017</u>	<u>FY 2018</u>
ROAD FUND			
<u>Costs - MoDOT</u>			
Additional right-of-way for 12' utility corridor	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON THE ROAD FUND	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)
 <u>FISCAL IMPACT - Local Government</u>			
	<u>FY 2016</u> (10 Mo.)	<u>FY 2017</u>	<u>FY 2018</u>
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

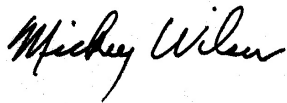
FISCAL DESCRIPTION

This bill sets the utility corridor along state highways at six feet in width and allows the Missouri Department of Transportation to expand the corridor to 12 feet if necessary in specified locations. The cost of relocation, location, and maintenance of utilities in any part of a right-of-way or within the six foot utility corridor is the responsibility of the utility owner if required by the department. Utility owners cannot charge the department or property owners for the relocation, location, and maintenance of utilities beyond the six foot width mark if the change is necessary because of a construction project or improvement approved by the department.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development
Department of Transportation



Mickey Wilson, CPA
Director
April 7, 2015

Ross Strobe
Assistant Director
April 7, 2015