

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

REVISED

BILL NUMBER: House Bill 1029

SHORT TITLE: Municipal Secondary Roads Paved

SPONSOR(S): Representative Michael Decker

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>
EXPENDITURES	0	0	\$787,000	\$135,000	0
POSITIONS:					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Transportation					
EFFECTIVE DATE: When the bill becomes law					

BILL SUMMARY:

Amends Sec. 169.1 of Chapter. 321 of 1993 Session Laws to make section applicable to municipality incorporated before May 31, 1996 which is eligible for funds under GS 136-41.2 but which has not received any funds under GS 136-41.1. Cited section provides that Department of Transportation must maintain streets on state highway system within municipalities that are not eligible for funds under GS 136-41.2. Directs Department to maintain streets in secondary system and maintain the paving priority for unpaved roads as if municipality is not incorporated so long as municipality is ineligible for funds under GS 136-41.1

ASSUMPTIONS AND METHODOLOGY:

The bill would allow secondary roads in municipalities incorporated between June 30, 1993 and May 31, 1996 to be paved as part of the state secondary roads program. Typically, unpaved secondary roads within municipalities would either be paved by the municipalities, or by the State small urban construction program.

According to the Department of Transportation (DOT), of the three municipalities affected by the legislation, only two, Summerfield and Flat Rock, have unpaved roads that would be paved by the State under this bill. Summerfield has about 5.4 miles of unpaved secondary roads within its city limits, and Flat Rock has about 2.2 miles. DOT estimates that paving these roads would cost about \$1,268,000 between 2001 and 2009. About \$922,000 of those costs would be incurred within the five year time horizon of this fiscal note; the other \$364,000 in costs would be incurred after the 2003-04 fiscal year.

Despite the fact that municipal secondary roads are sometimes paved with State small urban construction funds; the estimates in this fiscal note are based on the assumption that municipal secondary roads in Summerfield and Flat Rock would receive State funds only if paved through the secondary roads program. The assumption that Summerfield and Flat Rock secondary roads would not receive small urban funding is based on the following points:

- Because the demands on the small urban program are long, DOT believes these roads may never receive funding through the program.
- The authority to fund municipal secondary roads with small urban money lies with the Board of Transportation, and the Fiscal Research Division cannot predict whether the Board would act to fund these projects.

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION 733-4910
PREPARED BY: Evan Rodewald

APPROVED BY: Tom Covington

DATE: Tuesday, May 18, 1999



Signed Copy Located in the NCGA Principal Clerk's Offices