

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**Session 2015**

**Legislative Fiscal Note**

**BILL NUMBER:** House Bill 86 (First Edition)

**SHORT TITLE:** Utility Line Relocation/School Board.

**SPONSOR(S):** Representatives McNeill, Hurley, and Shepard

<b>FISCAL IMPACT</b>					
(\$ in millions)					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
<b>State Impact</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
Highway Trust Fund Revenues:	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Highway Trust Fund Expenditures:	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
State Positions:	0.0	0.0	0.0	0.0	0.0
<b>NET STATE IMPACT</b>	<b>(\$0.1)</b>	<b>(\$0.1)</b>	<b>(\$0.1)</b>	<b>(\$0.1)</b>	<b>(\$0.1)</b>

**PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:** Department of Transportation

**EFFECTIVE DATE:** July 1, 2015

**TECHNICAL CONSIDERATIONS:**  
None

**BILL SUMMARY:**

**H86. UTILITY LINE RELOACTION/SCHOOL BOARD. (February 12, 2015)**

AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO PAY THE NONBETTERMENT COST OF RELOCATING WATER AND SEWER LINES OWNED BY LOCAL BOARDS OF EDUCATION.

This bill amends G.S. 136-27.1 to include the relocation of water and sewer lines of local boards of education. It requires the Department of Transportation to also pay the nonbetterment cost for the relocation of water and sewer lines located within existing state transportation project rights-of-way that must be relocated for a state transportation improvement project and that are owned by local boards of education.

**ASSUMPTIONS AND METHODOLOGY:**

S.L. 2013-183, Strategic Transportation Investment Act, required DOT to reformulate projects in its State Transportation Improvement Program (STIP) based on a new prioritization process. As a result, the Draft STIP includes numerous projects without well-developed designs, which are necessary to accurately estimate the water and sewer relocation impacts to local boards of education.

Projects affecting local boards of education planned or implemented between January 2014 and December 2016 are used to estimate future annual costs to DOT to pay the nonbetterment cost to

relocate water and sewer lines owned by local boards of education. Four STIP projects were identified totaling \$70,310 in calendar year 2014, \$35,000 in calendar year 2015, and \$185,000 in calendar year 2016. The average cost of \$97,000 per year is used to estimate the fiscal impact resulting from this bill.

**SOURCES OF DATA:** Department of Transportation

**TECHNICAL CONSIDERATIONS:** None

**FISCAL RESEARCH DIVISION:** (919) 733-4910

**PREPARED BY:** Amna Cameron

**APPROVED BY:**

Mark Trogdon, Director  
**Fiscal Research Division**

**DATE:** February 27, 2015



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