

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 932

SHORT TITLE: Sanitary District Utility Relocations

SPONSOR(S): Representatives Carolyn B. Russell, Philip A. Baddour, Jr. and Jerry Braswell

FISCAL IMPACT: Expenditures: Increase () Decrease ()
 Revenues: Increase () Decrease ()
 No Impact (x)
 No Estimate Available (x)

FUND AFFECTED: General Fund () Highway Fund (x) Local Govt. ()
 Other Funds ()

BILL SUMMARY: This bill amends G.S. 136-27.1 to require DOT to pay the nonbetterment cost for relocation of any sanitary district water and sewer lines within existing state highway right-of-way that must be relocated for a state highway project.

EFFECTIVE DATE: Upon ratification

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED:
Department of Transportation - Right-of-Way Section

FISCAL IMPACT

	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>
	<u>FY</u>			

REVENUES:

- GENERAL FUND
- HIGHWAY FUND
- HIGHWAY TRUST FUND
- LOCAL

EXPENDITURES No estimate available

POSITIONS:

ASSUMPTIONS AND METHODOLOGY

A list of county and special district water and sewer suppliers was obtained from the North Carolina Association of County Commissioners. Because House Bill 932 would change existing law to require the Department of Transportation to pay the nonbetterment cost for relocation of any sanitary district organized pursuant to Part 2 of Article 2 of Chapter 130A, this list was narrowed down to include only those sanitary water and sewer districts that were applicable. There

are thirteen sanitary water districts and eleven sanitary sewer districts that were organized pursuant to Chapter 130A. The list of these districts was then sent to the Right-Of-Way section at the Department of Transportation. The Department then proceeded to determine the cost of relocating utilities owned by these districts on TIP (Transportation Improvement Program) projects let to contract since July of 1989. The total cost involved in these projects was \$340,000. There were only three districts that were affected. They are:

Roanoke Rapids Sanitary District	\$30,000
Junaluska Sanitary District	\$50,000
<u>Maggie Valley Sanitary District</u>	<u>\$260,000</u>
TOTAL	\$340,000

The Department then determined if any current TIP projects could impact sanitary districts. In the current TIP (1993-1999) there are only three projects that could impact sanitary districts. All three will affect the Roanoke Rapids Sanitary District. They are:

Project # U-1007	FY 98
Project # U-2419	FY 97
Project # U-2720	FY 96

Because the Right-of-Way Section of the Department of Transportation will not know until one year before the let date of a project how much cost is involved, no accurate estimate can be made for the cost of these three projects. Furthermore, there are not enough districts that have been affected in the past to compute an accurate average that could be applied to the current projects.

SOURCES OF DATA: Right-of-Way section at Department of Transportation, N. C. Association of County Commissioners.

TECHNICAL CONSIDERATIONS:

At the most recent meeting of a House Transportation Subcommittee meeting, a representative from the Department of Transportation stated that HB 932 will cost approximately \$2,000,000. He was reading, however, from information that he researched by request of the Fiscal Research Division. The Fiscal Research Division had not yet had a chance to evaluate some of the numbers that he referred to. The \$2,000,000 figure reflects some sanitary units that were organized pursuant to Chapter 162A of the General Statutes in addition to some that were organized pursuant to Chapter 130A. His numbers were correct, but those sanitary units organized pursuant to Chapter 162A are already covered by G.S. 136-27.1; thus, they will add no cost to HB 932. This \$2,000,000 figure was also based on spending from 1989-1993. No future estimates can be made from this information. The representative also stated that this money would come from the maintenance fund in the Highway Fund. Initially, however, the money

will come from already existing Construction money within the Highway Fund.

House Bill 932 does not require an appropriation from the General Assembly because the money to relocate these utility lines will come out of already existing Construction money from the Highway Fund.

FISCAL RESEARCH DIVISION

733-4910

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DATE: April 26, 1993



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