

FISCAL NOTE

Bill #: HB0285

Title: Revise laws on utility use of public right-of-way

Primary Sponsor: Rod Bitney

Status: As Introduced

Sponsor signature Date

Chuck Swysgood, Budget Director Date

Fiscal Summary

	<u>FY 2002 Difference</u>	<u>FY 2003 Difference</u>
Expenditures:	0	0
Revenue:		
State Special Revenue	150,500	150,500
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

Department of Transportation

1. Section 1(2) includes Montana Department of Transportation (MDT) in the definition.
2. Section 2 (3) allows MDT to recover the costs associated with utility use on state owned right-of-way.
3. Management costs include the cost of processing a permit, field work associated with siting a particular utility, review of plans, review of environmental permitting and inspection during installation.
4. There are currently seven positions statewide that spend approximately 50% of their time performing the work described above. The seven grade 15 utility agents make about \$43,000 each. (7 agents X \$43,000/yr X .50 = \$150,500). MDT would recover this cost.

Department of Natural Resources and Conservation

1. Section 2 allows for the collection of full market value for the granting of easements on school trust lands as provided for in 77-2-106, MCA, and in keeping with obligations established in Article X, Section 11, of the Montana Constitution. Therefore, it is assumed that lands managed by the Trust Land Management Division of the Department of Natural Resources and Conservation are not affected by this bill.
2. The Water Resources Division does have public lands that are subject to this proposed legislation. However, the ongoing policy of the department regarding public access to rights-of-way has been to recover only those costs that meet the definition of management costs under this legislation. Therefore, there is no significant fiscal impact to either revenues or expenditures of the division.

FISCAL IMPACT:

	<u>FY 2002</u> <u>Difference</u>	<u>FY 2003</u> <u>Difference</u>
Department of Transportation		
<u>Revenues:</u>		
State Special Revenue (02)	\$150,500	\$150,500
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
State Special Revenue (02)	\$150,500	\$150,500

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Local governments could collect similar benefits.

TECHNICAL NOTES:

Department of Transportation

1. Current 60-5-110, MCA, does not allow anything but logo signs in the interstate R/W. The bill should exclude interstate R/W.
2. The definition of utility should include common carrier pipeline.

Department of Natural Resources and Conservation

3. In order to clarify HB 285 with respect to the constitutional obligation of the DNRC to obtain full market value for the disposition of any interest in school trust lands, the department suggests the following language be inserted into the definition of political subdivision at Section 1 (2): For purposes of this part, "political subdivision" does not include the state board of land commissioners or the trust land management division of the department of natural resources and conservation.